

U.S. Foreign Policy Interests and Iran's Nuclear Program

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ABSTRACT

This thesis is an analysis of the motivations behind U.S. efforts to stop Iran from developing a nuclear weapons program. It argues that U.S. actions must be viewed within a larger context; specifically it must be viewed from the perspective of the overall interests of the U.S. in the Middle East. These interests include ensuring access to Middle Eastern oil, protecting the state of Israel and eliminating security threats, to the U.S. and its allies, especially from terrorist organizations.

The thesis examines U.S.-Iran's relationship over the nuclear issues a historical context, beginning with Eisenhower Administration. It is guided by the insights derived from the realist paradigm in International Relations theory which stresses national interest, defined in terms of power as the major determinant in state behaviour. The study shows that the U.S. was quite supportive of Iran developing nuclear energy for peaceful purposes only when relations between the two states were cordial. However, since the Islamic Revolution of the late 1970s, the relationship has been marked by hostility on both sides, and importantly, by American attempts to contain Iran's nuclear ambitions, particularly its goal of developing a nuclear weapons program, and the latter's efforts to circumvent these. An Iran in possession of nuclear weapons is seen as a dangerous threat to Middle Eastern stability and, of course, to U.S. interests in the region.

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DEDICATION

To my beloved and dear Parents

Thanks for your love and support and for believing in me.

ABBREVIATIONS

AEC	Atomic Energy Commission
AEOI	Atomic Energy Organization of Iran
AIPAC	American Israel Public Affairs Committee
CISADA	Comprehensive Iran Sanctions and Disinvestment Act
EIA	Energy Information Administration
EU	European Union
GCC	Gulf Cooperation Council
GNP	Gross National Product
IAEA	International Atomic Energy Agency
ILSA	Iran-Libya Sanctions Act
ISIS	Institute for science and International Security
IRGC	Islamic Revolutionary Guard Corps
MW	Megawatt
NEA	Nuclear Energy Agreement
NTBT	Nuclear Test Ban Treaty
NPT	Non-Proliferation Treaty
NIE	National Intelligence Estimate
OPEC	Organization of Petroleum Exporting Countries
US	United States of America

UNSC United Nations Security Council

WWII World War II

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CHAPTER 1

INTRODUCTION

Iran's nuclear program, specifically its nuclear weapons program, has been at the centre of controversy in international relations since 2003, when Iran's uranium enrichment centrifuge program was disclosed. Led by the United States (U.S.) many countries and international organizations including Israel, the European Union (EU), the International Atomic Energy Agency (IAEA), and the United Nations Security Council (UNSC), have sought to either contain, or completely halt Iran's nuclear ambitions.

This hostility between the U.S. and Iran is a phenomenon that began with the Islamic Revolution in 1979 and the virulent anti-Americanism that has prevailed in the country since, especially in the upper echelons of power. Prior, the two countries were firm allies and the U.S. was the leading supporter of Iran's nuclear energy program. However, with the ascent of the ayatollahs to power, their hostile stance towards the U.S. and concerns that the country was building nuclear weapons technology, the U.S. and its allies have been taking steps to punish the regime and isolate it internationally. An Iran in possession of nuclear weapons represents a direct threat to the Middle East and to U.S. interests in the region. Tehran, of course, denies pursuing a weapons program and claims that its nuclear program is for peaceful purposes.¹ If this were so, or if the U.S. were convinced it were so, there is historical evidence to show that the US would not be imposing sanctions. Given this, the US must be confident that the administration is pursuing a nuclear weapons program and that is the problem as it threatens US interests in the region.

This is the context that sets the stage for this study. The thesis argues that until the Islamic Revolution and the rise of virulent American hostility in the country, the U.S. was a strong supporter of Iran's nuclear energy program, supplying it with funds, technology and know-how in this field. However, with the ascent of the ayatollahs to power, their rampant anti-Americanism, and the country's pursuit of a nuclear weapons program, the relationship

¹ Ministry of Foreign Affairs, Islamic Republic of Iran, "Basic Facts About Iran's Peaceful Nuclear Activities," (Statement on the website of the Embassy of the Islamic Republic of Iran, Oslo). <http://iranembassy.no/en/6.htm> Accessed July 28, 2012

dramatically altered, and not surprisingly, the US has been responding accordingly, taking steps to punish and isolate the regime, and to destroy its nuclear program. An Iran with nuclear weapons represents a dangerous and immediate threat to US interests in the region. These interests are understood as: ensuring access to Middle Eastern oil, protecting Israel and eliminating security threats, especially from terrorist organizations. In demonstrating its claims, the research will analyze the effects of Iran's nuclear program on U.S. national interests in these different spheres and show how the policies adopted by the U.S., such as the imposition of economic sanctions and U.N resolutions on Iran, are all geared to undermining Iran's nuclear weapons agenda.

1.1 Theoretical Framework

The theoretical framework which guides this analysis is that of realism. Though challenged by many, it is this author's contention that realism still has relevance as an explanatory tool in contemporary international relations, and specifically when it comes to explaining U.S. actions *vis a vis* Iran with respect to the nuclear question. While some scholars such as Julian Dawson² and Sean Paul Ashley³ find that constructivism, a more recent school of thought offers, greater insights into explaining aspects of Iran-U.S. relations, it is the contention of this thesis that while there are merits to the constructivist paradigm, when it comes to the nuclear issue, realism is the more fruitful of the two in terms of its explanatory powers.

1.2 Constructivism

Constructivism emphasizes values, culture and social identities including nationalism, ethnicity, race, gender, religion, and sexuality as the central forces shaping global politics.⁴ Constructivist argues that different groups recognize their identities as interest and base their actions on defence or promotion of these identities. Though power is considered a relevant element in

² Julian Dawson, "A Constructivist Approach to the US-Iranian Nuclear Problem," (M.A. Thesis, University of Calgary, 2011). http://dspace.ucalgary.ca/bitstream/1880/48728/1/2011_Dawson_MSS.pdf (Accessed September 05, 2012).

³ Sean P. Ashley, "The Iranian Nuclear Program: Realist vs. Constructivist Models," *E - International Relations*, (August 18, 2012) <http://www.e-ir.info/2012/08/18/the-iranian-nuclear-program-realist-vs-constructivist-models/> (Accessed September 05, 2012).

⁴ Ashley, "The Iranian Nuclear Program."

international politics, constructivism places more emphasis on how ideas and identities are created, how they evolve, and how they shape the way states understand and respond to situations.⁵

Emanuel Adler describe constructivism “the manner in which the material world shapes and is shaped by human action and interaction.”⁶ He believes that constructivism could be a middle ground between the widely separated positivism/materialist and idealist/interpretive philosophy of social science.⁷ Another author, Stefano Guzzini, has argued that “constructivism is epistemologically about the social construction of knowledge, and ontologically about the construction of social reality.”⁸

In the *Oxford Handbook of International Relations*, Ian Hurd has underlined four main features which differentiate constructivism from other perspectives in International Relations.⁹ First, constructivism believes in “social construction”. He argues that by social construction, the acts and existence of states are based on the meaning and values that constitute them. His argument is contrary to realism which recognizes “materialism” as the main embodiment of international politics. Indeed, realist believe that material subjects like strategic resources, weapons and people constitute power and have direct effects on international patterns and behaviors.

The second feature Hurd has identified about constructivism is that “national interest” formation is based on social factors like identity, socialization and environment.¹⁰ According to him, “[p]eople act toward the objects, including other actors, on the basis of the meanings that the objects have for them.”¹¹ Realism, however, considers material interest including survival,

⁵ Stephen M. Walt, “International Relations: one world, many theories,” *Foreign Policy*, No. 110 (Spring, 1998), 41. <http://ic.ucsc.edu/~rlipsch/pol160A/Walt.1998.pdf> (Accessed September 05, 2012).

⁶ Emanuel Adler, “Seizing the Middle Ground: Constructivism in world politics.” *European Journal of International Relations*, Vol. 3, (1997): 322.

<http://ejt.sagepub.com/content/3/3/319.full.pdf+html> (Accessed September 19, 2012).

⁷ Adler, “Seizing the Middle Ground, 323

⁸ Stefano Guzzini, “A Reconstruction of Constructivism in International Relations.” *European Journal of International Relations*, Vol. 6, (2000): 174.

<http://www.arts.ualberta.ca/~courses/PoliticalScience/661B1/documents/GuzziniReconstructionofConstructivismInIR.pdf> (Accessed September 19, 2012).

⁹ Hurd, “Constructivism,” 300-302.

¹⁰ Ian Hurd, “Constructivism,” in *The Oxford Handbook of International Relations*, Christian Reus-Smit and Duncan Snidal, (Oxford: Oxford University Press: 2008), 300-302.

http://faculty.wcas.northwestern.edu/~ihu355/Home_files/17-Smit-Snidal-c17.pdf (Accessed September 19, 2012).

¹¹ Jutta Weldes, “Constructing national interest,” *European journal of international relations*, Vol. 2, (1996): 279

power and security as the main motivations of states in regards to “national interest”.¹² The third feature of constructivism that Hurd identified is “mutual constitution of structures and agents”.¹³ By this, Hurd means action of states are important factors in shaping the norms of international relations, and these institutions and norms contribute to characterizing, socializing, and influencing states.¹⁴ Finally, Hurd argues that constructivists use terms like “rivalry” to describe the international system, while realists consider “anarchy” as the main motivation or context of international relations behaviour.¹⁵

International Relation scholars such as Masoud Mousavi Shafaei look at Iran’s foreign policy behaviour toward the West from a constructivist perspective. In the article, “A constructive view into the enmity between Iran and the west: Manifestation of the Islamic Revolution Identity in Iranian Foreign Policy Behavior,” Shafaei argues that a state’s identity, rationality and behaviour have been created through a system of meaning and in relation with others, and this he believes provides a good theoretical basis for understanding the foreign policy of states such as Iran.¹⁶ This article focuses on the role of domestic/ideational structures in the construction of Iran's identity and its foreign policy behavior toward the west.¹⁷ He concluded that it is true that the identity of Iran and its inimical behavior towards the West have been constructed through both material and meaning structures, but he believes that based on the approach of one of the leading constructivist scholars, Alexander Wendt, ideational structures, not the material ones, have a constitutive role in constructing identities.¹⁸

1.3 Realism

Realism has a cynical view of human nature and realists believe that people are naturally egoistic and are motivated by the drive to increase their power in order to secure their self interest. In the case of global politics, realists believe that the central actors are states and their

<http://ic.ucsc.edu/~rlipsch/Pol272/Weldes.pdf> (Accessed September 19, 2012).

¹² Hurd, constructivism, 300-302.

¹³ Weldes, “Constructing national interest,” 303.

¹⁴ Jutta Weldes, “Constructing national interest,” 304.

¹⁵ Weldes, “Constructing national interest,” 304.

¹⁶ Masoud Mousavi Shafaei, “A constructive view into the enmity between Iran and the west: Manifestation of the Islamic Revolution Identity in Iranian foreign policy behavior,” *Geopolitics Quarterly*, Volume: 6, No 4, (2010): 201, http://www.sid.ir/en/VEWSSID/J_pdf/108020112011.pdf (Accessed September 19, 2012).

¹⁷ Shafaei, “A constructive view into the enmity,” 202.

¹⁸ Shafaei, “A constructive view into the enmity,” 202.

principal mission is national interests.¹⁹ Conflict, according to realist, is a dominant factor in international political relations, as each state seeks to maximize its self-interest in an environment of anarchy. In such a situation the survival of a state is based on its military power, and the most important issue-area in the field is the threat or actual use of force. When it comes to foreign policy and security, realists believe states must make decision based on their own interest. According to Hans Morgenthau, one of leading scholars in realist approach, “International politics, like all politics, is a struggle for power.”²⁰ And the lack of supernational power turns international system to anarchy.²¹

Morgenthau has described six main principles that define realism. These are “(a) Politics is governed by objective laws that have their roots in human nature; (b) the concept of interest is defined in terms of power; (c) power and interest are variable in content; (d) universal moral principles cannot be applied to the actions of states; (e) political realism refuses to identify the moral aspirations of a particular nation with laws that govern the universe and, (f) the autonomy of the political sphere is important in decision making”.²²

According to John Mearsheimer, there are five core assumptions underlying Morgenthau’s principles that explain states competition for power in international system.²³ First, Mearsheimer argues that great powers are the main actor of international politics and anarchy prevails in the system; there is no ‘government of governments’ to implement rules and punishment. Second, the relationship between states is built on unreliability as states cannot be certain about the intentions of other states. Moreover, the international system is unpredictable since states intentions can quickly change toward each other. Therefore, states focus on the balance of power as a means of security against each other rather than rely on stated intentions. Third, Mearsheimer argues that the main motivation of states is survival. In other words, states

¹⁹ Allen Sens and Peter Stoett, *Global Politic: Origins, Currents, Directions*, (Ontario: Nelson College Indigenous 4th edition, 2002), 11-12.

²⁰ Hans Morgenthau cited in Ken Booth, “Security in Anarchy: Utopian Realism in Theory and Practice,” *International Affairs*, Vol. 67, No.3 (Jul., 1991): 528.
<http://www.jstor.org/stable/pdfplus/2621950.pdf?acceptTC=true> (Accessed September 19, 2012).

²¹ Sens and Stoett, *Global Politic: Origins*, 11-12.

²² Hans Morgenthau cited in Jack Donnelly, *Realism and international relations*, (Cambridge: Cambridge University Press, 2000): 7.

²³ Peter Toft’s paraphrase Mearsheimer, “John J. Mearsheimer: an offensive realist between geopolitics and power.” *Journal of International Relations and Development*, Vol.8, No.4 (2005): 383.
<http://www.palgrave-journals.com/jird/journal/v8/n4/pdf/1800065a.pdf> (Accessed September 19, 2012).

seek to maintain their territorial integrity and the autonomy of their domestic political order. Fourth, states act rationally and adopt strategies that maximize their survival. Finally, Mearsheimer argues that all states possess some military bases that make them capable to impose pressure or harm other states.²⁴

Accordingly, Mearsheimer argues that, “in this situation states soon realize that the most efficient way to guarantee survival in anarchy is to maximize their relative power with the ultimate aim of becoming the strongest power that is, hegemony”.²⁵ However, he posits that “not all states can maximize their relative power simultaneously and, therefore; the state system is destined to be an arena of relentless security competition as long as it remains anarchic.”²⁶

It is following these lines of arguments that this thesis contends that realism offers the best explanatory power on U.S. – Iran relations on the nuclear issue. Each nation is operating in an environment of anarchy and insecurity. Each feels threatened by the other, and each is taking the action necessary to defend itself.

This thesis argues that Iran’s nuclear program is a threat to U.S. national interest including security, access to oil and the security of Israel that is why the U.S. is committed to preventing Iran from developing its nuclear weapons program. This thesis addresses the issue from a long term historical perspective and within realist framework. It relies on authors who have studied Iran’s nuclear threat to the U.S. national interest from this perspective. Nihat Ali Ozcan and Ozgur Ozdamar, for example, in their article, “Iran’s nuclear program and the future of U.S. – Iranian relations” have looked at Iran’s nuclear program and the threat it poses to the U.S. interest in the Middle East from a realist perspective. Hence they see the U.S.’ response as being based on securing its access to oil and gas supplies, eliminating threats from terrorist organizations, preventing the spread of WMDs, and maintaining Israel’s existence as well as its qualitative military advantage.²⁷ They argue that Iran’s nuclear weapons program would be a direct threat to these interests. Having nuclear weapons would provide Iran with the capability to secure the Islamic regime’s survival, threaten Israel, and fuel a nuclear arms race in the Middle-

²⁴ Peter Toft’s paraphrase Mearsheimer, “John J. Mearsheimer: an offensive realist,” 383.

²⁵ Peter Toft’s paraphrasing of Mearsheimer, “John J. Mearsheimer: an offensive realist,” 383.

²⁶ Peter Toft’s paraphrasing of Mearsheimer, “John J. Mearsheimer: an offensive realist,” 383.

²⁷ Nihat A. Ozcan and Ozgur Ozdamar, “Iran’s Nuclear Program And The Future Of U.S.- Iranian Relations.” *Middle East Policy*, XVI, No. 1 (2009): 125.

East; it also carries the threat that such weapons can be transferred to terrorist groups. Consequently, Iran's influence would increase and affect on the balance of power in the region in such a way that U.S power would be threatened.

Ozcan and Ozdamar have identified two primary interests for Iran in its development of a nuclear weapons program: protection of its territorial integrity and ensuring the survival of its regime and its desire to become the leading power in the region.²⁸ They also described different scenarios or options that the U.S. might adopt in dealing with a nuclear Iran. These are: diplomacy, economic sanctions, international pressures, psychological warfare and finally, military force. The authors believe that Iran would use its nuclear weapons program to gain leverage against the U.S. on matters that threaten its survival, and that the U.S. would consider the use of force as an option to confront Iran's nuclear program.²⁹

Another scholar who uses the realist paradigm to analyze U.S.-Iran relations is Peter Pham.³⁰ In his article "Iran's threat to the Strait of Hormuz: A Realist Assessment," Pham uses a realist argument to explain the importance of the Strait of Hormuz to the interests of not only the countries in the Middle-East, but also to the world. He described the possible threat of Iran to the Strait of Hormuz and analyzes various tactics Iran could use to close the Strait (including, amongst others, the use of naval forces, antiship cruise missiles, moored and drifting contact mines, amongst others). However, he suggests that since the Strait of Hormuz is a corridor of vital importance for Iran also, especially in regards to gasoline imports, the country needs to keep the strait open based on its dependency on carbohydrates products.

Still other scholars, such as John J. Mearsheimer and Stephen M. Walt, have used the realist paradigm to evaluate U.S. interests with respect to the protection of Israel.³¹ According to Carl Brown's assessment, "Mearsheimer and Walt use realist national-interest analysis to deftly deconstruct the usual justifications for supporting Israel – that Israel is a fellow democracy, a

²⁸ Ozcan and Ozdamar, "Iran's Nuclear Program," 125.

²⁹ Ozcan and Ozdamar, "Iran's Nuclear Program,"

³⁰ Peter Pham. "Iran's Threat To The Strait Of Hormuz: A Realist Assessment," *American Foreign Policy Interests*, 32, (2010).

<http://www.tandfonline.com/doi/pdf/10.1080/10803921003697542> (September 29, 2012).

³¹ Mearsheimer and Walt, *The Israel Lobby*, 2007.

strategic asset, or a tiny state in danger of being overwhelmed by its neighbors.”³² The authors argue that the Israel Lobby is responsible for America’s unbalanced policy in the Middle East, and that this pro-Israeli policy is against the U.S. national interests in the region. The authors suggest that in order to promote its national interest in the Middle East, the U.S. should adopt a more balanced foreign policy, one not influenced by the Israel Lobby. They also believe that U.S. foreign policy is not influenced by the fact that Israel is a strategic ally or that supporting Israel is a moral consideration, rather the only reason behind the US support for Israel is the Israel Lobby.³³

In sum realism is an explanatory tool in contemporary international relations, and specifically when it comes to explaining U.S. actions *vis a vis* Iran with respect to the nuclear question. It is this perspective which informs the analysis here.

1.4 Methodology

To assess the effects of Iran’s nuclear program on U.S. interests in the Middle East, the research relies on qualitative analysis. Primary resources, such as speeches, reports by the U.S. government and the U.N, U.N resolutions, newspaper articles, and secondary resources, such as books and journal articles, have been used.

1.5 Structure/ Organization

Given this objective, the thesis is organised into five chapters: Chapter one, is the introductory chapter. It lays out the thesis to be addressed, the theoretical framework, the methodology and the structure of the thesis.

Chapter two focuses on the historical development of Iran’s nuclear program and how the U.S. has contributed to its growth. The chapter reviews the various policies adopted by successive U.S. governments, from Eisenhower to Carter in aiding the country’s nuclear program

³² L. Carl Brown, The Israel Lobby and U.S. Foreign Policy, *Foreign Affairs*, (September/October 2006). <http://www.foreignaffairs.com/articles/61871/1-carl-brown/the-israel-lobby-and-us-foreign-policy> (Accessed September 10, 2012).

³³ Mearsheimer and Walt, *The Israel Lobby*, 2007.

from 1950 to 1979. What it demonstrates is that when Iran's policies coincide with U.S. national interests, the latter was eager to help Iran on the nuclear front.

Chapter three examines the second stage in the relationship between the U.S. and Iran on the nuclear issue. This is the period after the Islamic Revolution to the present. It is one marked by hostility on both sides, and importantly, American attempts to contain Iran's nuclear ambitions, particularly nuclear weapons development, and the latter's efforts at circumventing this.

Chapter four examines U.S. national interests in the Middle East and the impact of Iran's nuclear weapons program on these interests. It helps to explain why there are different phases in the U.S. approach to Iran's nuclear program.

Chapter five is the conclusion and it summarises the significant points in the thesis and indicates what likely future developments will be.

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CHAPTER 2

THE ERA OF COOPERATION: THE ROLE OF THE U.S. IN THE DEVELOPMENT OF IRAN'S NUCLEAR PROGRAM (1953-1978)

2.1 Introduction

The previous chapter posited that the current standoff between the U.S. and Iran over the nuclear issue must be understood within the larger context of U.S. interests in the region, namely: (1) ensuring access to oil and gas; (2) ensuring the security of Israel, and (3) eliminating security threats to the U.S. emanating from the region. A historical overview of Iran-U.S. relations under various U.S. administrations reveals that these goals continue to be true over time. This chapter aims at putting the current tension and conflict within a historical context. What it argues is that historically, specifically when relations between the two states were cordial, there was significant cooperation between them on the nuclear issue. More directly, the U.S. was the leading supporter of Iran's nuclear energy program. A friendly Iran was not only an ally, but also a guarantor of U.S. interests in the region and hence the U.S. was eager to keep Tehran close, and that included perks such as allowing the regime to develop a nuclear program. However, it must be stressed, that the U.S. has only been interested in assisting Iran with its nuclear program for peaceful purposes. At no time in the relationship was there any hint that a nuclear Iran would be tolerated. In the next chapter it will be shown that when Tehran began pursuing a nuclear weapons program, the U.S. took action against it, and this was made imperative too by the fact that a nuclear Iran was a major threat to global nuclear stability, but to U.S. interests in the region.

The current chapter focusses on the period 1953 to 1979, the era of the Shah dynasty, when various American governments contributed to the development of a nuclear program in Iran.

2.2 The Era of Cooperation Begins

The start of U.S. involvement in Iran began in earnest during the Cold War with Operation Ajax, a military coup in 1952 that was orchestrated by British and American

intelligence.³⁴ It overthrew the democratically elected and nationalistic government of Prime Minister Mohammad Mosaddegh and installed the pro-West Mohammad Reza Shah Pahlavi as the reigning Shah of Iran. (Under Mosaddegh's nationalism, the Shah's father, Reza Khan, later Reza Shah Pahlavi, had been relegated to a mere figure head having lost his control of the parliament which had once acted as a puppet to his regime, to the popular Mosaddegh).

Mosaddegh's ousting was due to the threat he posed to the West. His 1951 nationalisation of the oil fields and refineries owned by the Anglo-Persian Oil Company represented a direct threat to British economic interests, while his overt courting of the Communist Tudeh Party during the Cold War made him the object of U.S. anger. As a result, President Dwight Eisenhower and his British counterpart, Winston Churchill, gave the green light for a coup that proved successful.³⁵

With the fall of Mosaddegh, the Americans rapidly began strengthening their presence in the country. According to James Bill, "With the fall of Mosaddegh, the U.S. began to pour men, money, and machines into Iran at an unprecedented rate....American private and public economic and aid missions to Iran in the 1950s were numerous and varied and included western banking and investment in Iranian Industries."³⁶ As discussed below, various American administrations from Eisenhower to Carter made significant contributions to developing Iran's nuclear program as Iran was promoted and protected U.S. interests of the region. This situation continued until the Islamic Revolution in Iran and 1979 which saw the demise of the Shah and the end of U.S. friendly regimes in the country.

2.3 The Eisenhower Administration

It can be argued that it was under President Dwight D. Eisenhower the close ties between Iran and the U.S. began, and it began with Iran's adoption of the Eisenhower Doctrine and was cemented with Eisenhower's visit to the country in 1959. This visit came at a time when neighbouring countries like Iraq had already developed close relations with the Soviet Union,

³⁴ See Sandra McKay, *The Iranians: Persia, Islam and the Soul of a Nation* (New York: Dutton 1996).

³⁵ James Bill, *The Eagle and The Lion* (New Haven: Yale University Press, 1988), 119-120.

³⁶ Bill, *The Eagle*, 119-120.

thus rendering it crucial for the U.S. to secure its relations with other partners in the region to contain the Soviet threat.

The Eisenhower Doctrine was, in essence, an anti-communist programme, and under its terms, any country could request American economic or military support if threatened with aggression.³⁷ Indeed, Iran was one of the first and among a very few ‘Third World’ countries that publicly endorsed the Doctrine.³⁸ President Eisenhower recognized this when he stated, during his 1959 visit to Tehran, that the two countries share a special partnership, and when he assured the Iranian government that, for the remainder of his presidency, relations between the two nations would remain close.³⁹

The Eisenhower Doctrine and the stability of the regime were one of America’s bulwarks against communism in the region and a means of ensuring access to the region’s oil. During the Eisenhower presidency, this bulwark was buttressed with support to Iran from the U.S., in the form of the sale of weapons, and interestingly, in the form of aid to build Iran’s nuclear program under the Shah. This aid was endorsed in the Atomic Energy Act itself. The Act, passed by the U.S. Congress in 1954, created the Atomic Energy Commission (AEC) “to encourage widespread participation in the development and utilization of atomic energy for peaceful purposes.”⁴⁰ It also permitted private industries to get involved in the atomic energy business and it also endorsed U.S. assistance to ally nations building power-producing nuclear reactors.⁴¹

Consequently, the Eisenhower Administration began to collaborate with the Shah in advancing Iran’s nuclear program. On March 5, 1957, Iran and the U.S. signed an agreement for cooperation in the civil use of atomic energy for five years, and the U.S. also agreed to provide Iran with nuclear reactor technology within the framework of the “Atoms for Peace” program.⁴² The “Atoms for peace” program was introduced by Eisenhower in a speech delivered to the United Nations General Assembly in December 1953, and it was the foundation of the U.S.’

³⁷ Bill, *The Eagle* 118.

³⁸ Bill, *The Eagle* 118.

³⁹ Bill, *The Eagle*, 119-120.

⁴⁰ John A. King and John R. Vile, *Presidents From Eisenhower Through Johnson*. (Westport: Greenwood Press, 1953-1969), 25.

⁴¹ King and Vile, *Eisenhower Through Johnson*, 25.

⁴² Rouhollah Ramazani, *The United States And Iran: The Patterns Of Influence*, (Westport: Praeger Publishers, 1982), 6.

nuclear agreement with its allies around the world.⁴³ It was under the “Atoms for Peace” program that the U.S. signed a civil nuclear cooperation agreement with Iran in 1957 that allowed for transfer of “technical assistance, the lease of several kilograms of enriched uranium and cooperation on researching the peaceful uses of nuclear energy.”⁴⁴ While Iran’s nuclear pursuits were to be for peaceful purposes only under the terms of the agreement, according to specialists in the area, there were only “limited real world controls” put in place”.⁴⁵ Iran qualified for the program because it was a strong ally of the U.S. especially when it came to the issues of oil and Israel. Iran also shared common security threats with the U.S., against which the nuclear program helped to guard. These included the dangers posed by Arab nationalism (Gamal Abdel Nasser in Egypt) and by radical pro–Soviet Arab states.⁴⁶

The entity promoting the cooperation was the International Atomic Energy Agency (IAEA), a body established under the “Atoms for Peace” initiative. The mandate of the IAEA included “providing strong global nuclear safety and security, and fostering the safe use of nuclear power by supporting nuclear programmes around the world.”⁴⁷ This history is rather interesting in the current context where Iran and the IAEA are at odds over the former’s current nuclear program

One of the most important outcomes of the cooperation agreement between the U.S. and Iran was the decision by the Shah in 1959 to order the construction of the Nuclear Research Center at Tehran University (completion was in 1967), and which was supplied with a five megawatt (MW) thermal research reactor from the U.S.⁴⁸ The Centre was to be under the operation of the Atomic Energy Organization of Iran.

⁴³ King and Vile, *Eisenhower Through Johnson*, 25.

⁴⁴ Anthony H. Cordesman and Khalid R. Al-Rodhan, “Iranian Nuclear Weapons? The Uncertain Nature of Iran’s Nuclear Programs,” (April 2006):21. http://csis.org/files/media/csis/pubs/060412_iran_uncertainty.pdf (Accessed May 22, 2012)

⁴⁵ Cordesman and Al-Rodhan, “Iranian Nuclear Weapons?,” 20.

⁴⁶ Trita Parsi, *Treacherous alliance: The Secret Dealings Of Israel, Iran, And The United States*, (New Haven: Yale university press, 2007), 22.

⁴⁷ International Atomic Energy Agency, <http://www.iaea.org/OurWork/index.html> (Accessed December 02, 2011).

⁴⁸ Mustafa. Kibaroglu, "Good for the Shah, Banned for the Mullahs: The West and Iran's Quest for Nuclear Power," *Middle East Journal*, 60, (2006): 225

2.4 The Kennedy Administration

With the change in administration from Eisenhower to Kennedy in 1961, there was also a shift in policy with respect to the importance accorded nuclear weapons. According to Philip Nash, “the Kennedy administration sought to avoid a reliance on nuclear weapons by placing more emphasis on developing conventional capabilities especially airlift, sealift, and tactical air forces and unconventional capabilities, such as the Special Forces, as an alternative to ‘humiliation’ or ‘all-out nuclear action’.... Kennedy also sought to rely more than Eisenhower had, on foreign aid, propaganda, allies, and arms control.”⁴⁹ Indeed, Kennedy was more willing to prevent nuclear weapons proliferation.

Based on this strategy, he signed the Nuclear Test Ban Treaty (NTBT) in August 1963.⁵⁰ Because of the change in U.S. policy, there was less enthusiasm from the administration for supporting the nuclear programs of allies. As a result, the Shah often criticised President Kennedy and he used the fear of the spread of communism to convince the U.S. government to donate more financial aid and military support.⁵¹

However, the Kennedy administration considered economic and political reform as a precondition for any financial aid, or technology transfer to Iran.⁵²

2.5 The Johnson Administration

Kennedy’s successor, President Lyndon Johnson, adopted similar policies towards Iran. As a result of ongoing U.S. pressure on Iran for economic and political reforms, and the U.S.’ decision to limit Iran’s access to weapons, the Shah began developing closer ties with the Soviet Union. As a part of this cooperation, the Shah assured the Soviets in 1962 that he would not allow the establishment of foreign missile bases on Iranian territory if these were hostile to the Soviet Union.⁵³ In addition, high ranking Soviet officials visited Iran in 1964, and the two

⁴⁹ Philip Nash, “Nuclear Weapons In Kennedy’s Foreign Policy,” *The Historian*, 56 (1994): 287.

⁵⁰ White House, *John F. Kennedy*. <http://www.whitehouse.gov/about/presidents/johnfkennedy> (Accessed November 07, 2011).

⁵¹ Summitt, A.R. “For a White Revolution: John F. Kennedy and the Shah of Iran,” *Middle East Journal*, 58, No. 4 (2004): 560.

⁵² Summitt, “For a White Revolution,” 564.

⁵³ Warren I. Cohen and Nancy B. Tucker, *Lyndon Johnson Confronts The World: American Foreign Policy, 1963-1968*. (Cambridge: Cambridge University Press, 1994), 286.

countries signed a trade agreement.⁵⁴ One year later, in June 1965, the Shah also agreed to purchase \$110 million of Soviet Union weapons.⁵⁵ According to Warren Cohen, “the Iranian dissatisfaction with U.S. support in the 1960s encouraged them to adopt a more independent policy toward the U.S. by improving mutual relations with Moscow.”⁵⁶ As the Shah’s relationship with the Soviet Union began to strengthen, it created concerns in the U.S., and this led it to adopt a more flexible position towards the Shah’s request for more weapons.⁵⁷ As a result, Iran - U.S. relations began to improve and were strengthened during President Richard Nixon’s term in office.

2.6 The Nixon Administration

Nixon considered the Shah as one of the important elements of stability in the Middle East. He disregarded any criticism of the Shah’s internal policies⁵⁸ and in his doctrine, released in a press conference in Guam on July, 1969, he paid special attention to Iran. Under the Nixon Doctrine, the U.S. expected its allies to take more responsibility for their regional security and gave a large share of the cost and responsibility for the defence and containment of communism to the governments of its allies. However, the U.S. further guaranteed them the provision of military and economic assistance.⁵⁹

The Nixon Doctrine promoted a twin pillar policy in the Persian Gulf to maintain regional stability and containing communism. This policy was deemed necessary due to the power vacuum created by the withdrawal of British forces from ‘East Suez’ in 1971.⁶⁰ The twin pillars consisted of two regional hegemons, one responsible for economics and the other security. Saudi Arabia was to be the economic pillar and Iran the security pillar due to the latter’s military capabilities. The military strength of Iran would not only help to contain threats to regional

⁵⁴ Andrew L. Johns, “The Johnson Administration, the Shah of Iran, and the Changing Pattern of U.S.-Iranian Relations, 1965–1967,” *Journal of Cold War Studies*, 9, No. 2 (2007): 68.

⁵⁵ James Bill, *The Eagle and The Lion* (New Haven: Yale University Press, 1988), 171.

⁵⁶ Cohen and Tucker, *Lyndon Johnson Confronts*, 285.

⁵⁷ Johns, A.L. “The Johnson Administration, the Shah of Iran, and the Changing Pattern of U.S.-Iranian Relations, 1965–1967,” *Journal of Cold War Studies*, 9, No. 2 (2007): 68.

⁵⁸ David Schmitz, *The United States And Right Wing Dictatorships*. (Cambridge: Cambridge University Press, 2006), 82.

⁵⁹ Schmitz, *The United States*, 74.

⁶⁰ Kenneth. M, Pollak, *The Persian Puzzle*. New York: Random House, 2004, 102.

peace, but it also reduced the need for America's military presence in the region to combat communism – a major objective of the Nixon Doctrine.⁶¹

As President Nixon remarked to newsmen in Guam in July 1969: “ We shall provide a shield if a nuclear power threatens the freedom of a nation allied with us...we shall furnish military and economic assistance when requested in accordance with our treaty commitments. But we shall look to the nation directly threatened to assume the primary responsibility of providing manpower for its own defense.”⁶²

Iran's role in the region was justified by then Secretary of State Henry Kissinger who argued that not only was Iran capable of filling the void created by the departing British and serve as a bulwark against communism, but that the policy would not demand resources from the U.S. since the Shah would be able to purchase arms and equipment with income generated by his oil revenue.⁶³ Indeed, as David Schmitz noted, between 1970 and 1975, Iran purchased \$12.1 billion worth of arms from the US.⁶⁴ These purchases included advanced weapons technology, including nuclear technology.

However, other developments, including the oil crisis and regional conflicts, also accelerated Iran's nuclear development.⁶⁵ With the rising cost of oil during the Organization of Petroleum Exporting Countries (OPEC) oil embargo in late 1973, the U.S. economy was confronted with a huge trade deficit. At the same time, Iran's revenues were soaring due to rising oil prices; it rose from \$5.073 billion in 1973 to \$18.672 billion in 1974 (representing a growth rate of 268%).⁶⁶ In order to address America's economic woes, the Nixon administration considered selling more arms, including nuclear equipment to Iran, to offset its trade deficit.⁶⁷ This also had the advantage of strengthening Iran's military to fight against regional threats.

⁶¹ Schmitz, *The United States*, 81.

⁶² Quoted in Bernard Reich and Stephen H. Gotowicki, “The United States and The Persian Gulf In The Bush Administration,” *Brassey's Defense Yearbook* (London: Royal United Services Institute, 1991). <http://fmso.leavenworth.army.mil/documents/usgulf.htm> (Accessed May 29, 2012)

⁶³ Schmitz, *The United States*, 82.

⁶⁴ Schmitz, *The United States*, 82.

⁶⁵ Kibaroglu, “Good for the Shah,” 213.

⁶⁶ Mohammad Hassani and Afsaneh Dabbaghi, “Iran's Oil Revenues Fluctuations: Analysis of External and Internal Factors (1970-2007),” P.9. http://www.business.curtin.edu.au/files/Hassani_oil_Revenues_.pdf (Accessed November 07, 2011).

⁶⁷ Nayef H. Samhat, “Middle Powers and American Foreign Policy: Lessons from Irano-US. Relations, 1962-77,” *Policy Studies Journal*, 28, NO. 1(2000): 12.

Conveniently too, the Iranian government was not reluctant to pay more money for modern weapons and this is reflected in Iran's military expenditure, which increased by 600% between 1972 and 1977.⁶⁸

Important developments also took place during this time in the advancement of Iran's nuclear program, and these were again with the consent and cooperation of the U.S. In March 1974, the Shah announced his plans to develop 23,000 MW of nuclear power capacity, and this was followed two months later with a suggestion to Iranian officials by the Chairman of the U.S. Atomic Energy Commission, Dixy Lee Ray, to establish enrichment and reprocessing facilities in Iran.⁶⁹ On March 3, 1975, Iran and the U.S. signed a \$15 billion agreement for the construction of eight nuclear reactors in Iran.⁷⁰

2.7 The Ford Administration

Under Nixon's successor, Gerald Ford, Iran's nuclear development encountered some resistance. There were concerns about the Shah's growing military strength, his pursuit of increasingly sophisticated military hardware, including some of the most advanced U.S. planes and radar, and his growing nuclear program.⁷¹ Some officials were concerned that he was interested in developing a nuclear bomb and as such increasing pressures were brought to bear on the Ford administration to halt the sale of nuclear materials and facilities to Iran.⁷² This led to tensions in relationship between the two countries. However, because of the vulnerable position of the U.S. economically, and because of the eagerness of countries like France and Germany to sell nuclear facilities to the Shah, the U.S. reconsidered its hard-line approach and subsequently agreed to the weapons sales.⁷³ President Ford approved the sale of eight nuclear reactors, along with uranium, and then cleared the sale of lasers with a known capability for uranium enrichment to Iran.⁷⁴

⁶⁸ Gasiorowski, M.J. *U.S. Foreign Policy And The Shah*. Cornell University Press, 1991, 114.

⁶⁹ Kibaroglu, "Iran's Nuclear Ambitions," 229.

⁷⁰ Kibaroglu, "Iran's Nuclear Ambitions," 229.

⁷¹ Millani, A. *The Shah*, Palgrave Macmillan, 2011, 331.

⁷² Abbas Millani, *The Shah*, 334.

⁷³ Abbas Millani, *The Shah*, 334-335.

⁷⁴ Tarock, A. "Iran's Nuclear Programme and the West," *Third World Quarterly*, 27, No. 4 (2006): 652.

2.8 The Carter Administration

In 1977, James Earl Carter was elected as U.S. President. President Carter believed that human rights should be paramount in U.S. foreign policy and that U.S. weapons sales overseas should be linked to human rights.⁷⁵ In the first few months of office, Carter tried to distance himself from most of the Kissinger-Ford policies.⁷⁶

Meanwhile, in Iran, the Shah was in an increasingly difficult situation during this period, not only because of the issue of human rights raised by Carter, but also because of his close relationship with Nixon, Ford and Kissinger.⁷⁷ Indeed, the Shah feared the possibility that Carter, just like Truman or Kennedy, would try to pressure him to adopt political and economic reforms instead of allowing Iran to purchase whatever weapons it wanted from the U.S.⁷⁸

However, despite Carter's strong emphasis on political and economic reforms in his foreign policy, in practice, the Carter administration did not adopt any policies that substantially differed from those of his predecessors.⁷⁹ Most of the officials in the Carter administration, including the National Security Advisor, Zbigniew Brzezinski, and Ambassador William Sullivan, were strongly against applying pressure on the Shah.⁸⁰ In fact, Carter's foreign policy team were convinced that the Shah's policies directly benefited the U.S. Cyrus Vance, the Secretary of State in the Carter administration, mentions four advantages for the U.S. and the countries of the Middle East of the Shah's policy. The Shah provided economic assistance to countries in the region: he helped reduce tensions in Southeast Asia; he was a reliable supplier of oil to the West, because he did not participate in the 1973 Arab oil embargo; and he was Israel's primary source of oil.⁸¹

Aware of the Shah's concerns, President Carter wrote to him in February 1977 reassuring him of Iran's importance to the U.S. and emphasising his (Carter's) support for the Shah. Carter's letter mentions that the "particularly close ties which have existed between our two countries

⁷⁵ Pollak, *The Persian Puzzle*, 121.

⁷⁶ Rubin, Barry. *Paved With Good Intentions*. Oxford University Press, 1980, 196

⁷⁷ Bill, *The Eagle*, 227.

⁷⁸ Pollak, *The Persian Puzzle*, 121.

⁷⁹ Rubin, *Paved With*, 190.

⁸⁰ Rubin, *Paved With*, 196.

⁸¹ Bill, *The Eagle*, 233.

since World War II are supported by a broad consensus in the U.S. that we share many vital mutual objectives and that it is in the national interest of our country to cooperate with yours.”⁸² A few months later, in August 1977, President Carter started negotiating with the Shah over nuclear cooperation,⁸³ and in essence began pursuing a nuclear relationship with Iran that duplicated that of his two predecessors,⁸⁴

On April 12, 1977, Carter signed an agreement with the Shah to exchange nuclear technology and to cooperate in nuclear safety.⁸⁵ On January 1, 1978, Carter visited Tehran and during his visit, the two states initiated a nuclear agreement in which Iran agreed to increase protection beyond the Non-Proliferation Treaty's (NPT) requirements, and in return the U.S. granted Iran "most favoured nation" status for reprocessing nuclear fuel.⁸⁶ On July 10, 1978, the US-Iran Nuclear Energy Agreement (NEA) was signed. The purpose of the NEA was to facilitate cooperation in the field of nuclear energy and to govern the export and transfer of equipment and material to Iran's nuclear energy program. The U.S. also agreed to provide technology to help Iran in its search for uranium deposits.⁸⁷

It is important to mention that the NEA and other nuclear agreements the Shah signed with European countries like Germany and France never bore fruit. This meant that the U.S. was the major force in building Iran's nuclear program. This situation persisted until the overthrow of the Shah in the 1979 the start of hostile relations between Iran and the U.S. As the above discussion has shown, the U.S contributed enormously to Iran's nuclear program during the Shah's reign, both for security and economic reasons. Iran under the Shah was an American ally, and Iran's role in the region under his reign advanced U.S. interests. As such, Iran received significant help from the U.S. in building its nuclear program. This situation however, changed dramatically with the new revolutionary Islamic regime that came to power in 1979 as discussed in the next chapter.

⁸² Schmitz, *The United States*, 173.

⁸³ Semira N. Nikou, "Timeline of Iran's Nuclear Activities," *United States Institute of Peace*, <http://iranprimer.usip.org/resource/timeline-irans-nuclear-activities> (Accessed November 08,2011)

⁸⁴ Kibaroglu, "Iran's Nuclear Ambitions," 230.

⁸⁵ Kibaroglu, "Good for the Shah," 214.

⁸⁶ Mohammad. Sahimi, "Iran's Nuclear Program. Part V." *Payvand's Iran News*. December 22, 2004. <http://www.payvand.com/news/04/dec/1186.html> (Accessed November 08, 2011).

⁸⁷ Kibaroglu, M. "Good for the Shah,"214.

CHAPTER 3

FROM COOPERATION TO CONFLICT: THE ISLAMIC REVOLUTION AND ITS IMPLICATIONS ON U.S.-IRAN NUCLEAR COOPERATION (1979 TO PRESENT)

3.1 Introduction

Since the fall of the Shah, the U.S. has adopted a hard line and very critical position with respect to Iran's nuclear program. This stance is motivated not only by the fact that the regime in Iran is hostile to the U.S., but also because the latter claims it has evidence that Iran is pursuing a weapons program. Claims like satellite pictures from the Institute for Science and International Security (ISIS) which features construction of underground enrichment sites in Natanz and Esfahan. The revelation of Fardow nuclear site in 2009, evidence of plutonium production and uranium enrichment, and the trace of contamination from advanced enrichment effects in Natanz are some of the claims of evidence the U.S. make on Iran's nuclear program.⁸⁸

So hostile are relations between the two states that in the U.S. and Israel, politicians publicly and regularly mention the possibility of one or both of these countries undertaking a bombing mission to destroy the former's nuclear facilities which are seen as a threat to their security. Iran has even charged that Israel and the U.S. have been assassinating its nuclear scientists as several of them have been killed mysteriously. The start of hostile relations between the U.S. and Iran can be traced to the Islamic Revolution and the virulent anti-Americanism that it inaugurated in the country.

3.2 Background to the Islamic Revolution

In order to understand the change in relations between Iran and the U.S., it is necessary to provide a brief overview of the factors behind the Islamic Revolution and the nature of the regimes that came to power after the Shah.

Iranians dissatisfaction with the Shah's regime due to its political repression of opponents, its corrupt nature, its strong links to the U.S, its heavy emphasis on militarization, and

⁸⁸ Cordesman and Al-Rodhan, "Iranian Nuclear Weapons?," 13

the serious economic difficulties facing the nation and despite a huge oil income, led in the 1970s to the emergence of a strong and determined opposition that eventually culminated in the Islamic Revolution in 1979.⁸⁹ Within the first few months after the Revolution, however, America took steps like giving asylum to the Shah and hesitating to return the Shah to Iran. Consequently the nature of relations between the two countries changed and became hostile.⁹⁰ The hostile relation between Iran and the U.S. escalated when in November 1979 U.S. officials in the U.S. Embassy in Tehran were attacked and taken hostage by Iranian revolutionary students. Responding to the situation in Iran, the Carter administration froze Iran's assets in worth more than \$10 billion in the U.S.⁹¹ The administration also blocked all U.S. cooperation with Iran, including Iran's nuclear program.⁹²

3.3 Iran-U.S. Nuclear Relations after the Islamic Revolution

3.3.1 The Reagan Administration

After the 1979 Islamic Revolution, the new government inherited the Shah's nuclear program. The revolutionary regime began a hostile relationship with the U.S. and suspended contracts that the Shah had signed with the U.S for nuclear reactors. All arms deals, amounting to around \$34 billion worth of major projects, between Iran and the U.S. were also cancelled and these included the four nuclear power stations.⁹³

The President of the Atomic Energy Organization of Iran (AEOI) under the Shah, Dr. Akbar Etemad, commented that, "with regards to the AEOI, there was a tendency to destroy everything within it, and many people – professional and otherwise – had a say in the matter. The destructive forces of the revolution inside and outside the AEOI succeeded in bringing nearly all the projects to a halt; all the major projects were cancelled or left dormant."⁹⁴

⁸⁹ Nikki R. Keddie. *Modern Iran, Roots and Result of Revolution*, New Haven & London, 2006, 214.

⁹⁰ Fakhreddin. Soltani. "Foreign Policy of Iran After Islamic Revolution," *Journal of Politics and Law*, Vol. 3, No. 2 (2010): 200.

⁹¹ Soltani. F. "Foreign Policy of Iran After Islamic Revolution," *Journal of Politics and Law*, Vol. 3, No. 2 (2010): 200.

⁹² Kibaroglu, M. "Good for the Shah," 215.

⁹³ Quillen, C. "Iranian Nuclear Weapons Policy: Past, Present, And Possible Future." *Middle East Review of International Affairs*, 6, No. 2 (2002): 19.

⁹⁴ Kibaroglu, "Iran's Nuclear Ambitions," 234.

When President Ronald Reagan assumed office in the U.S., his administration's policy toward Iran was influenced by the Iran- Iraq war. Indeed, shortly after the Iranian Revolution, Iraq started a war with Iran. In the eyes of many, this was a war fought on behalf of the West to defeat the Islamic regime in Iran in order to protect U.S. interests in the region which was under threat from hostile regime. For its part, the U.S. took an official position of strict neutrality in the first two years of the war. However, when Iran launched a successful military campaign in 1982 and a subsequent offensive against Iraq, policymakers in the U.S. began to fear an outright Iranian victory.⁹⁵ As a result, they came out openly in support of Iraq (the Iran-Contra affair, discussed below, notwithstanding) in the drive to isolate Iran and reduced it as a threat.

In 1982, the U.S. removed Iraq from the list of countries which they considered as supporting international terrorism⁹⁶ and U.S. officials began to visit the country. In his book, *Choice of Enemies*, Lawrence Freedman mentions a high level official meeting between Donald Rumsfeld and Saddam Hussein in December 1983, and the conversation they had over the mutual interests of the two countries, one of which concerned dealing with the Iranian threat.⁹⁷ In 1984, the U.S. officially restored its diplomatic relations with Iraq.⁹⁸ Besides political and diplomatic support, Iraq benefited from security intelligence supplied through U.S. sources.⁹⁹ In addition, Saudi Arabia, China, France and the U.S. also sold billions of dollars of arms to Iraq.¹⁰⁰ During this period, with the exception of its relationship with Syria and the partial exception of Libya and Algeria, Iran found itself quite isolated.¹⁰¹

The Iran – Iraq war and then Iran's isolation motivated the Iranian government to re-build its nuclear program.¹⁰² It should be noted that at the start of the Iran-Iraq war, Iran had stopped working on its nuclear program because Ayatollah Khomeini believed nuclear weapons to be contrary to Islam.¹⁰³ However, Saddam Hussein's repeated use of chemical and biological weapons against Iranian troops, something forbidden by the 1952 Geneva Protocol, convinced

⁹⁵ Bill, *The Eagle*, 306-7.

⁹⁶ Bill, *The Eagle*, 306-7.

⁹⁷ Freedman, L. *A Choice of Enemies: America Confronts The Middle East*. New York: Public Affairs, 2008, 157.

⁹⁸ Ansari, A.M. *Confronting Iran*. New York: Basic Books, 2006, 105.

⁹⁹ Bill, *The Eagle*, 306-7.

¹⁰⁰ Bill, *The Eagle*, 307.

¹⁰¹ Bill, *The Eagle*, 307.

¹⁰² Bahgat, Gawdat. "Nuclear proliferation: The Islamic Republic of Iran." *Iranian Studies*, 39, No. 3 (2006): 310.

¹⁰³ Pollak, *The Persian Puzzle*, 259.

Iranian officials that¹⁰⁴ leaders of the world's most powerful nations could easily ignore incidents where the 'red line' was crossed, so long as it served their short and long term interests regarding the Islamic regime in Tehran.¹⁰⁵ This view made Iran's leaders more concerned about their future security and motivated them to look for a strong deterrent a nuclear arsenal.¹⁰⁶

This return to a nuclear program, however, led the Reagan administration in the 1980s to organize a multilateral embargo on Iran due to concerns that the latter would misuse its nuclear technology and pursue a nuclear weapons program. The Reagan led embargo succeeded in getting Europe to agree to rigorous export controls with respect to dual-use technologies.¹⁰⁷ Germany, for example was persuaded to abandon its cooperation with Iran's nuclear program, particularly its work on the Busheher reactors.¹⁰⁸

However, it must be mentioned that though the embargo delayed and slowed down Iran's nuclear program, it did not prevent Iran from pursuing nuclear agenda. Iran violated the embargo and exploited the arms sales to Iran to advance its security interests elsewhere. This resulted in the very embarrassing, for the U.S., Iran-Contra affair in 1986. This, in essence, was an attempt to trade arms to Iran for the release of American hostages held in Lebanon by Hezbollah¹⁰⁹ and to secure funds to support the Contras in Nicaragua. While the U.S. Congress had banned the sale of arms to countries that sponsored terrorism (e.g. Iran), Oliver North, along with the cooperation of the CIA then headed by William Casey, sought to sell arms and spare parts to Iran with the collaboration of Israel, in order to get American hostages back to the U.S.¹¹⁰

There were also other factors aside from the hostage issue, according to Bill that influenced the arms sale to Iran. One had little to do with the Middle East, but it made for greater controversy at the time. It was the fact that that the funds from the arms sale were used to support the Contra (hence Iran-Contra) , a surrogate U.S. army fighting to overthrow the Marxist

¹⁰⁴ Dorraj, M. "Behind Iran's Nuclear Pursuit?" *Peace Review*, (2006): 326.

¹⁰⁵ Hadian, N. "Iran's Nuclear Program: Background and Clarification." *Contemporary Security Policy*, 29, No. 3 (2008): 573.

¹⁰⁶ Dorraj, "Behind Iran's," 326.

¹⁰⁷ Samore, G. and Einhorn, R.J. "Ending Russian Assistance to Iran's Nuclear Bomb." *Survival*, 44, No. 2 (2002): 52.

¹⁰⁸ Samore, G. and Einhorn, R.J. "Ending Russian Assistance to Iran's Nuclear Bomb." *Survival*, 44, No. 2 (2002): 52.

¹⁰⁹ Bill, *The Eagle*, 308.

¹¹⁰ Bill, *The Eagle*, 308.

Sandinistas in Nicaragua. This support for the Contras was a direct violation of the Boland Amendment which outlawed funding the Contras for the purposes of overthrowing the Sandinista government. As a consequence of this, there were impeachment hearings in the Congress.

Another factor influencing the arms sale was Israel's growing concern over Iraq's power in the region, and as such Israel was interested in assisting Iran in order to weaken Iraq.¹¹¹ Another factor Bill cites was Reagan's concern about a possible Soviet incursion in the region.¹¹² Based on a U.S intelligence report, "Khomeini's position was faltering in Iran and the Soviet Union was poised ready to take advantage of his possible collapse".¹¹³ In addition, there was the fear of a forceful exportation of the Iranian revolution to other Persian Gulf states that are crucial to U.S. interests – in particular Saudi Arabia, a country with one quarter of the world's proven reserves of oil and a major supplier to the U.S.¹¹⁴ Finally, Bill mentions that, "economically, Iran and the U.S had common interests on oil price during this period. Within the halls of OPEC, the Islamic Republic had long struggled for lower production and higher prices. The U.S meanwhile, needed prices high enough to protect the domestic oil industry but low enough to placate the consumer."¹¹⁵ Bill then argues that "the Iran-Contra affair did not succeed because it was operated by the wrong people, supported by the wrong allies (Israel), in the wrong place (Tehran), at the wrong time (during the month of Ramadan and after the United States had titled to the Iraqi side during the Gulf war) and implemented the wrong tactical plan."¹¹⁶

3.3.2 The Bush I Administration

During President Gorge Herbert Walker Bush's administration, the policy to preclude Iran's acquiring nuclear weapons continued. However, the vacuum created by the U.S. was soon filled by the Russians and Iran's nuclear program was once again jump started.

¹¹¹ Keddie, N.R. and Gasiorowski, M. *Neither East Nor West: Iran, The Soviet Union, and the United States*. Yale University Press, 1990, 313.

¹¹² Bill, *The Eagle*, 310-11.

¹¹³ Bill, *The Eagle*, 310-11.

¹¹⁴ Bill, *The Eagle*, 310-11.

¹¹⁵ Bill, *The Eagle*, 310-11.

¹¹⁶ Bill, *The Eagle*, 310-11.

Initially, global changes seemed to offer openings for a lowering of hostilities between the U.S. and Iran. The fall of the Berlin Wall, which brought an end to the Cold War and the threat of Communism, meant that Iran-Soviet links would not necessarily be perceived as a threat. Further, when Iraq invaded Kuwait on August 2, 1990, Iran stayed on the sidelines without any serious opposition to the American-led coalition.¹¹⁷ In his public speech in January 1989, Bush seemed to send a message to American foes, including Iran, by suggesting that good will conduct will be met with good will. He noted: “Today there are Americans who are held against their will in foreign lands and Americans who are unaccounted for. Assistance can be shown here and will be long remembered. Good will begets good will.”¹¹⁸ In addition to Bush’s speech, the National Security Advisor Brent Scowcroft mentioned that America “had a positive view toward expanding its relation with Iran.”¹¹⁹ However, these did not really bear fruit.

Iranian officials recognised these statements from administration officials as a sign that they would be rewarded if they cooperated in obtaining the release of the hostages in the Lebanon.¹²⁰ However, when Iran succeeded in getting the hostages released, Tehran did not receive the reward it had expected as there was no change in U.S policy.¹²¹ Pollak explains this by suggesting that the previous U.S. administration’s experience, as with the Contra affair, made Bush more cautious about Iran.¹²² In addition, the Iranian government and its agents did many other belligerent things such as murdering the Shah’s last Prime Minister, Shapour Bkhtiar, in Paris and killing other opponents of the regime in Vienna and Berlin.¹²³ These events ensured that no one in Washington was interested in considering improving relations with Iran.¹²⁴ Also, the *fatwa* issued by Ayatollah Khomeini against Salman Rushdie in 1989 for his book *The Satanic Verses* (which was considered as an insult to the Quran), made the situation more complicated.¹²⁵

¹¹⁷ Pollak, *The Persian Puzzle*, 248.

¹¹⁸ Kemp, G. *U.S. And Iran, The Nuclear Dilemma: Next Steps*. The Nixon Centre, 2004, 5.

¹¹⁹ Slavin, B. *Bitter Friends, Bosom Enemies*. St. Martin Press, 2007, 179.

¹²⁰ Kemp, *U.S. And Iran*, 5.

¹²¹ Kemp, *U.S. And Iran*, 5.

¹²² Pollak, *The Persian Puzzle*, 246.

¹²³ Pollak, *The Persian Puzzle*, 246.

¹²⁴ Pollak, *The Persian Puzzle*, 246.

¹²⁵ Slavin, B. *Bitter Friends, Bosom Enemies*. St. Martin Press, 2007, 180.

With respect to the nuclear issue, not surprisingly, U.S. hostility to Iran's program continued. As a matter of fact, there was an intensification of the sanctions against Iran. In an article in the *Los Angeles Times* entitled "Iran's Nuclear Plans Worry U.S. Officials," published in 1991, Jim Mann explained that "some Bush Administration officials and independent nuclear specialists here have grown increasingly worried about new signs that Iran may be starting down the same path as Iraq ... with secret efforts by Iran to buy nuclear technology and build nuclear weapons."¹²⁶ Iran moved much closer to countries like the Soviet Union, China and Pakistan for the supply of nuclear technology.¹²⁷ In March 1990, Iran and the Soviet Union signed their first protocol on the Bushehr nuclear plant, which the Soviet Union agreed to complete and in addition, build two more nuclear reactors in Iran.¹²⁸ After the collapse of the Soviet Union, Iran began nuclear cooperation with Russia, signing a bilateral agreement in August, 1992.¹²⁹ Russia provided Iran with fuel fabrication technology and even uranium enrichment centrifuge plans.¹³⁰

This Russian –Iranian collaboration was of great concern to the U.S. and the latter tried to use threats and incentives to undermine it. However, although the U.S. administration used warnings, selective sanctions, and even the promise of expanded economic ties with Russia, the U.S. did not achieve significant success. Iran's nuclear program continued to benefit from external support from Russia.¹³¹

3.3.3 The Clinton Administration

When President Bill Clinton assumed office in 1993, relations between the U.S and Iran continued to be hostile as Iran continued to be seen as a major threat to U.S. interests. Memories of the 1979-1980 Americans hostages, the 1980s Iran-Contra affair, Iran's sponsorship of terrorism abroad, Iran's efforts to obtain weapons of mass destruction, and Iran's opposition to the Arab-Israeli peace process, prevented the Clinton administration from formulating any new

¹²⁶ Jim Mann, "Iran's Nuclear Plans Worry U.S. Officials." *Los Angeles Times*, January 27, 1991.
http://articles.latimes.com/1991-01-27/news/mn-395_1_nuclear-weapons-programs (Accessed November 08, 2011).

¹²⁷ Gawdat, "Nuclear proliferation," 325.

¹²⁸ Mohammad Sahimi, "Iran's Nuclear Program. Part I: Its History." *Payvand's Iran News*. December 22, 2004.
<http://www.payvand.com/news/04/dec/1186.html> (Accessed November 08, 2011).

¹²⁹ Nuclear Threat Initiative. "Nuclear Overview." *Iran Country Profile*.
http://www.nti.org/e_research/profiles/Iran/Nuclear/index.html (Accessed November 08, 2011).

¹³⁰ Takeyh, *Hidden Iran*, 137.

¹³¹ Takeyh, *Hidden Iran*, 137-138.

policies on cooperation with Iran.¹³² Despite attempts to improve relations between the two countries, especially after the election of the reformist President Mohammad Khatami in Iran, Iran's opposition towards the Arab-Israel peace process, their support for groups engaged in terrorist activities, and their suspected pursuit of a nuclear program, convinced U.S. officials that containment, rather than engagement, was the best approach.¹³³

The Clinton administration's main policy towards Iran was part of a strategy which came to be known as "dual containment"¹³⁴ and the main purpose of this was to increase pressure on the two Middle Eastern countries, Iran and Iraq, in order to isolate them politically, economically and militarily.¹³⁵ Indeed, Clinton sought to contain Iraq, a close U.S. ally, because of Iraq's invasion of Kuwait in 1990 and Iraq's close relation with Russia.

In an article on *Foreign Affairs* in March 1994, Anthony Lake, the then National Security Advisor to President Clinton, mentioned that Iran challenged America's interests by its actions on several fronts and these included: "1) Its search for weapons of mass destruction; 2) Its sponsorship of terrorism and assassinations (including the assassination of Shapour Bakhtiar, the last Prime Minister under Shah Pahlavi); 3) Its opposition to the Arab-Israeli peace process; 4) Its pursuit of offensive weapons; and 4) Its exploitation of difficult situations with U.S. allies (like the bombing of Israeli embassy in Buenos Aires)."¹³⁶ Based on these observations, Lake concluded in his article that dual containment is "a realistic and sustainable policy which is meant to protect America's interests in the Middle-East, stabilize international politics, and enlarge the community of nations committed to America's core values."¹³⁷

Containment of Iran under Clinton was especially evident in the administration's efforts to punish the country economically. On March 7, 1995, when Conoco Oil Company announced it had signed a contract with Iran to develop the Sirri Island oil field in the Persian Gulf, there was a strong reaction from the Clinton administration and they issued Presidential Order, 12957,

¹³² Robert O. Freedman, "American Policy Toward Iraq and Iran in Clinton's Second Term." *Jerusalem Centre for Public Affairs*, 1999

¹³³ International Crisis Group. "Dealing With Iran's Nuclear Program." *Middle East Report*, 27 October 2003: 19.

¹³⁴ International Crisis Group. "Dealing With Iran's Nuclear Program." *Middle East Report*, 27 October 2003: 19.

¹³⁵ Jerry L. Mraz, "The Policy Of Dual Containment." in *Dual Containment: U.S. Policy In The Persian Gulf And A Recommendation For The Future*, 1997: 2.

¹³⁶ Mraz, "The Policy," 15.

¹³⁷ Mraz, "The Policy Of Dual Containment," 15.

banning the participation of U.S. companies from any investment in the Iranian petroleum industry.¹³⁸ Because of the Order, Conoco cancelled a \$1 billion contract with the Iranian government.¹³⁹

The order prohibiting U.S. companies from investments in Iran and the cancellation of the Conoco Oil deal came less than three months after Iran had signed an agreement with Russia to build a nuclear research reactor at the Bushehr nuclear plant.

Pressure on Iran increased in May 1995, when Clinton issued another Presidential Order, 12959, prohibiting all trade, investments and commercial transactions with Iran, including that done by foreign subsidiaries of American corporations included in the ban.¹⁴⁰ It should be noted however, the U.S. did not receive much help from its European allies or other countries in the region as they were benefiting too much from their economic relationship with Iran. For example, at the same time the U.S. was prohibiting any trade and investment in the Iranian economy, Total, a French corporation, signed a \$1 billion agreement to develop two off-shore oil fields.¹⁴¹

To ramp up further the pressure on Iran, Clinton signed the Iran-Libya Sanctions Act (ILSA) of 1996 which imposed a number of sanctions against foreign firms investing more than \$20 million in Iran's oil and gas industry.¹⁴² The Clinton administration was hoping to weaken Iran financially in order to prevent it from developing its nuclear program, as well as to reduce its support for organizations recognized as terrorist groups by the U.S.¹⁴³ However, since European countries were benefiting from Iran's oil and gas industry, they were against these investment limitations. In 1998, under the influence of certain European countries and American companies, President Clinton waived sanctions that prohibited investments in Iran by some companies that were active in Iran's oil and gas industries, like France's Total, Russia's

¹³⁸ Rex J. Zedalis, "The Total S.A. Case: Meaning Of "Investment" Under The ILSA." *The American Journal Of International Law*, 92, No. 3 (1998): 539.

¹³⁹ Freedman, "American Policy," 1999.

¹⁴⁰ Zedalis, "The Total S.A. Case," 539.

¹⁴¹ Freedman, "American Policy," 1999.

<http://www.ciaonet.org/pbei/jcpa/frr01.html> (Accessed November 08, 2011).

¹⁴² Freedman, "American Policy," 1999.

<http://www.ciaonet.org/pbei/jcpa/frr01.html> (Accessed November 08, 2011).

¹⁴³ Akbar E. Torbat, "A Glance At U.S. Politics Toward Iran: Past And Present." *Journal of Iranian Research and Analysis*, 20, No. 1 (2004): 87.

Gazprom, and Malaysia's Petronas.¹⁴⁴ Following this, President Clinton also ended sanctions on food and medicine to Iran, Libya and the Sudan. One can deduce that oil security for U.S. allies was threatened and hence the administration felt pressured to waive these sanctions. With respect to the issue of food and medicines, Clinton's Secretary of State, Stuart Eizenstat explained that these were not generally considered as part of a nation's military capability and did not constitute support for terrorism.¹⁴⁵ As a result of these actions by the U.S., the extraterritorial sanctions against Iran became ineffective.¹⁴⁶

During Clinton's presidency, as with that of President Bush Senior, Iran considerably expanded its nuclear cooperation with other countries and disregarded all sanctions imposed by the U.S. on its nuclear activities. In fact, the U.S. was not successful in preventing European countries or Japan, China or Russia from dealing with Iran. As Pollak mentions, "even by 1995, the U.S. was Iran's third largest trading partner, Iran's sixth largest purchaser of exports and the largest consumer of Iran's oil. Because of this, Europe, Japan and Russia considered the sanctions imposed by the U.S. as a barrier which merely reduced their benefits from dealing with Iran, while American companies were hugely benefiting from their transactions with Iranian companies."¹⁴⁷

Because of the inconsistencies in the U.S. policy towards Iran, Iran continued to develop its nuclear capability during Clinton's term in office, regardless of international pressure and U.S. sanctions.

3.3.4 The Bush II Administration

At the time of the election of President George Bush in the U.S. in 2000, Iran was at the bottom of Bush's list of priorities.¹⁴⁸ In fact, in the first year of the Bush administration, little attention was paid to Iran and its nuclear program.¹⁴⁹ However, the September 11 terrorist attack of 2001 in the U.S., along with the Iranian exile group, Mojahedin Khalgh, revealed the

¹⁴⁴ Jamie Lang, "International Sanctions: The Pressure On Iran To Abandon Nuclear Proliferation." *The Journal of International Business and Law*, 141 (2007): 153.

¹⁴⁵ Akbar E. Torbat, "Impact of the U.S. Trade and Financial Sanctions on Iran." *The World Economy*, 28, No. 3 (2005): 412.

¹⁴⁶ Pollak, *The Persian Puzzle*, 270.

¹⁴⁷ Pollak, *The Persian Puzzle*, 270.

¹⁴⁸ Pollak, *The Persian Puzzle*, 344.

¹⁴⁹ John W. Dietrich, *Foreign Policy Reader*, (New York: M.E. Sharpe, 2005), 123-124.

existence of Iran's nuclear facilities in Natanz in August 2002, raising U.S. concerns about Iran's nuclear program.

The Bush administration recognised Iran as a 'Rogue State' inimical to U.S. security and national interests. Incidents such as the January 3, 2002 Israeli interception of the *Karine A* ship on the Red Sea explains why. The ship, belonging to Iran, is alleged by the U.S. and Israel to have had 50 tons of weapons destined for Palestine, and this influenced the U.S. to adopt more hostile policies toward Iran.¹⁵⁰

On January 29, 2002, in a speech to the State of the Union, President Bush characterized Iran, along with Iraq and North Korea, as part of the 'Axis of Evil',¹⁵¹ that threatened world peace. In June 2003, Bush announced that the international community "will not tolerate the construction of nuclear weapons in Iran. Bush further mentioned that Iran would be dangerous if they had nuclear weapons."¹⁵² At the time Bush made these statements, European countries like France and Germany were actively involved in negotiations to stop Iran's nuclear program. On October 21, 2003, the Ministers of Foreign Affairs of the European Union [EU], Dominique de Villepin, Jack Straw and Joschka Fisher, began to negotiate directly with the then Iranian government.¹⁵³ EU Ministers succeeded in signing an agreement with Iran, under which Iran agreed to suspend its nuclear enrichment programme.¹⁵⁴ However, because pledges, like the Paris Agreement in November 14, 2004, made by the EU Foreign Affairs Ministers to Iran were not fulfilled, Iran announced in 2005 that it had restarted its nuclear program.¹⁵⁵ The U.S. decided to become more directly involved in Iran's nuclear program negotiation after Iran made this announcement. This new approach meant more cooperation between the U.S. and the EU and more broadly speaking support for the EU initiative, which Washington embraced

¹⁵⁰ The Manchester Guardian, *Israel seizes ship carrying weapons for Hezbollah*, November 04, 2009. <http://www.guardian.co.uk/world/2009/nov/04/israel-seizes-ship-weapons-hezbollah> (Accessed February 05, 2012).

¹⁵¹ Dietrich, *Foreign Policy Reader*, 123-124.

¹⁵² Dietrich, *Foreign Policy Reader*, 123-124.

¹⁵³ Tom Sauer, "Coercive Diplomacy By The EU. Case Study: The Iranian Nuclear Weapons Crisis." 2006, 1. <http://www.jhubc.it/ecpr-istanbul/virtualpaperroom/022.pdf> (Accessed November 08, 2011).

¹⁵⁴ Tom Sauer, "Coercive Diplomacy By The EU. Case Study: The Iranian Nuclear Weapons Crisis." 2006, 1. <http://www.jhubc.it/ecpr-istanbul/virtualpaperroom/022.pdf> (Accessed November 08, 2011).

¹⁵⁵ Adem Ogultarhan, "Iran's Nuclear Program: The U.S. Misses Opportunities?" *Alternatives: Turkish Journal of International Relations*, 9, No. 1 (2010): 119

sceptically and conditionally in March, 2005.¹⁵⁶ In embracing the EU initiative, Bush announced that “he is willing to help European countries in their negotiations with Iran over its nuclear program”¹⁵⁷

In August 2005, after a long delay in nuclear negotiations, the EU, with the support of the U.S., offered Iran a package of incentives: the so-called “Framework for a Long-term Agreement”. This package included lifting sanctions imposed by the U.S. on Iran’s entry into the World Trade Organization and the sale of spare parts to Iranian civilian airliners.¹⁵⁸ However, Iran rejected these offers and indicated that it was going to resume its uranium conversion activities.¹⁵⁹

When Iran made this announcement, the U.S. wanted to refer Iran to the UNSC and in 2006; the EU began to support the U.S. on its position regarding this. The EU again halted its negotiations with Iran.¹⁶⁰ As a result of the stalemate, the international community, including the EU and the U.S., took a firmer stance on Iran. These countries changed their policy from negotiation to coercive diplomacy in order to put pressure on the Iranian government to stop its nuclear program. In fact, the International Atomic Energy Agency (IAEA) Board of Governors voted in an emergency meeting to refer Iran to the UNSC. Iran responded to the IAEA by threatening to prevent further IAEA monitoring on its nuclear facilities and to fully resume uranium enrichment activities.¹⁶¹

Iran was finally referred to the UNSC and in 2006; the UNSC passed its first resolution, 1737, on Iran’s nuclear program. Under this resolution, Iran was called upon to suspend all nuclear enrichment-related and reprocessing activities.¹⁶² It was also required to provide the

¹⁵⁶ Shahram Chubin, *Iran’s Nuclear Program*, (Washington: Carnegie Endowment for International Peace), 2006, 90-91.

¹⁵⁷ British Broadcasting Cooperation. *Bush Offers to Help EU Over Iran*, March 04, 2008. http://news.bbc.co.uk/2/hi/middle_east/4317579.stm (Accessed November 08, 2011).

¹⁵⁸ “Europe’s Iran Diplomacy.” *The European Center of Excellence of the University of North Carolina*, (2008): 4. http://www.unc.edu/depts/europe/business_media/mediabriefs/Brief7-0803-iran.pdf (Accessed November 08, 2011).

¹⁵⁹ “Europe’s Iran Diplomacy.” *The European Center of Excellence of the University of North Carolina*, (2008): 4. http://www.unc.edu/depts/europe/business_media/mediabriefs/Brief7-0803-iran.pdf (Accessed November 08, 2011).

¹⁶⁰ Anthony W. John, “Nuclear Negotiations: Iran, The EU (And The U.S.).” *American University, School of International Service*.

¹⁶¹ John, “Nuclear Negotiations” *American University, School of International Service*.

¹⁶² Nihat A. Ozcan and Ozgur Ozdamar, “Iran’s Nuclear Program And The Future Of U.S.- Iranian Relations.” *Middle East Policy*, XVI, No. 1 (2009): 124.

IAEA with any information and cooperation the agency needed to ensure that the nuclear program was purely for peaceful energy production. Iran did not comply with these demands and continued its nuclear enrichment activities.¹⁶³

In 2007, the Bush administration maintained pressure on Tehran. It implemented a second set of UNSC backed sanctions and it adopted a new policy to limit Iran's access to the international financial system.¹⁶⁴ In fact, the U.S. imposed sanctions on three major banks owned by the Iranian government as these banks were seen as providing financial support to Shiite group in Iraq, Hamas and Hezbollah.¹⁶⁵ Also, to further isolate Iran from the rest of the world, the U.S. started a security dialogue with Iran's neighbours in the Persian Gulf and embraced new strategies aimed at promoting peace and negotiations between Israelis and Palestinians.¹⁶⁶

These policies seemed to have had some impact on Iran's nuclear agenda. On December 3, 2007, the U.S. National Intelligence Estimate (NIE) released a report on Iran's nuclear program. In the report, it was mentioned that the U.S. intelligence community believed Iran had "with moderate confidence not restarted its nuclear weapons program as of mid-2007."¹⁶⁷ However, the NIE report did not change U.S. policy toward Iran and Bush still held that Iran and its nuclear program was a serious threat to U.S. security.¹⁶⁸ Bush constantly rejected any direct diplomatic discussions on nuclear issues with Iran and insisted that Iran freeze its uranium enrichment before the U.S would join negotiations.

However, it must be mentioned that in Bush's last year in office, the U.S. changed its position and got involved in multilateral negotiations with Iran through the EU and P5+1 (Permanent Five members of the UNSC plus Germany). Accordingly, in 2008, the Bush administration which had previously insisted that Iran freeze its uranium enrichment incentive before the U.S would join negotiations, agreed to send a senior representative under the then

¹⁶³ Nihat A. Ozcan and Ozgur Ozdamar, "Iran's Nuclear Program And The Future Of U.S.- Iranian Relations." *Middle East Policy*, XVI, No. 1 (2009): 124.

¹⁶⁴ Suzzane Maloney, "U.S. Policy Toward Iran: Missed Opportunities and Paths Forward." *The Fletcher Forum of World Affair*, 32, No. 2 (2008): 26.

¹⁶⁵ Cable News Network, *U.S. Slaps New Sanctions on Iran*, October 25, 2007. http://articles.cnn.com/2007-10-25/politics/iran.sanctions_1_bank-melli-bank-saderat-bank-mellat?_s=PM:POLITICS (Accessed June 19, 2011).

¹⁶⁶ Maloney, "U.S. Policy Toward Iran," 26.

¹⁶⁷ "Europe's Iran Diplomacy." *The European Center of Excellence of the University of North Carolina*, (2008): 6. http://www.unc.edu/depts/europe/business_media/mediabriefs/Brief7-0803-iran.pdf (Accessed November 08, 2011).

¹⁶⁸ "Europe's Iran Diplomacy." 6.

Secretary of State for Political Affairs, William Burns, to a meeting in Geneva, but despite this development, Iran continued to reject U.S. preconditions.¹⁶⁹ Bush agreed to send a representative to Geneva as a sign of America's commitment to diplomacy.¹⁷⁰

Despite concerns growing in the U.S. regarding Iran's nuclear program, the election of Mohammad Khatami, the reformist president of Iran in 1997, and mutual interests, for example, the fight against the Taliban and Al-Qaeda in Afghanistan, brought Iran and the U.S. into some form of cooperation. For instance, Iranian officials became actively engaged in the 'Six plus two' talks and supported the U.S. war in Afghanistan, whilst most of the members of the 'Six plus two' opposed it.¹⁷¹ These talks refer to a coalition of the six states bordering on Afghanistan, plus Russia and the United States, who engaged in discussions from 1999 to 2001 to find a resolution amongst the Afghan Northern Alliance and ways of containing the Taliban.

3.3.5 The Obama Administration

When Barack Obama assumed the office of U.S. President, the Obama administration believed there was an opportunity to dissuade Iran from expanding its nuclear program, and possibly to build a new framework of relations with Iran after decades of estrangement and enmity.¹⁷² Obama tried to take a different approach than the previous Bush administration and be more conciliatory to the region in an effort to reduce the rampant anti-Americanism and the security threats facing the U.S.

In the first half of 2009, the Obama administration made a great effort, both in public and private, to encourage Iran to engage in diplomatic dialogue on its nuclear program.¹⁷³ Obama

¹⁶⁹ David Pollock, "A Year Of Transition: U.S. Policy In The Middle East And Mediterranean, 2008." *European Institute of The Mediterranean*, (2009): 37.

¹⁷⁰ Reuters, "Talking with the Axis of Evil." July 17, 2008.
<http://blogs.reuters.com/global/2008/07/17/talking-with-the-axis-of-evil/> (Accessed June 23, 2011).

¹⁷¹ Pollak, *The Persian Puzzle*, 346.

¹⁷² Kenneth Katzman, "Iran: U.S. Concerns and Policy Responses." *Congressional Research Service*, (April 18, 2011): 22. <http://www.fas.org/sgp/crs/mideast/RL32048.pdf> (Accessed November 09, 2011).

¹⁷³ Suzzane Maloney, "Sanctioning Iran: If Only It Were So Simple." *The Washington Quarterly*, 3 (2010): 133.
http://www.twq.com/10january/docs/10jan_Maloney.pdf (Accessed November 09, 2011).

repeatedly stressed on “new beginnings” and “engagement based on mutual interest and mutual respect” in his speeches to Iran in Prague, Ankara, and Cairo.¹⁷⁴

Obama’s approach to handling Iran’s nuclear program was made clear in his message to Iran on March 21, 2009, the traditional Iranian New Year. In his message, the President made mention of the formal name of Iran- the Islamic Republic of Iran- and also referred to the historically great Persian civilization. Some scholars interpreted Obama’s reference to the Islamic Republic of Iran as an acceptance of Iran’s regime. Others were of the view that Obama would not pursue the policy of ‘regime change,’ which had been part of the U.S agenda regarding Iran for over thirty years.¹⁷⁵ Obama also talked about the need for mutual respect between the two countries, which had not been U.S. policy toward Iran for decades.¹⁷⁶

Moreover, another important approach in Obama’s handling of Iran’s nuclear program was the elimination of any preconditions on Iran’s attendance at nuclear negotiations with the IAEA.¹⁷⁷

The Obama administration pursued an engagement policy with Iran.¹⁷⁸ The administration participated in the Geneva meeting on Iran’s nuclear program along with the P5+1 and the Obama administration considered this meeting as a “constructive beginning” for negotiations. Some scholars consider the Geneva meeting as the most important proposal since the Paris agreement of November, 2004, under which Iran had agreed to a voluntary freezing of its enrichment program. The international community saw this as a good chance to recover trust on both sides over nuclear negotiations.¹⁷⁹ In the Geneva meeting, the Iranian government submitted a proposal to the P5+1. Iran’s proposal was based on exchanging a major portion of its minimally enriched uranium with more highly enriched fuel rods for the American-built research

¹⁷⁴ William S. Harrop, “Obama’s Iran Policy: Mutual Respect Matters,” *Iranian Review of Foreign Affairs*, 1, No. 3 (2010): 67.

¹⁷⁵ Akbarzadeh, S. “Obama And The U.S. Policy Change On Iran.” *Global Change, Peace and Security*, 21, No. 3 (2009): 398-399.

¹⁷⁶ Akbarzadeh, “Obama And The U.S. Policy,” 398-399.

¹⁷⁷ Akbarzadeh, “Obama And The U.S. Policy,” 398-399.

¹⁷⁸ Volker Perthes, “Ambition And Fear: Iran’s Foreign Policy And Nuclear Programme.” *Survival*, 52, No. 3 (2010): 100.

¹⁷⁹ Perthes, “Ambition And Fear,” 100.

reactor in Tehran, although Iran had already stated it would only discuss their nuclear issues with the IAEA.¹⁸⁰

Despite this development, by early summer, 2010, it had become clear that the possibility of a mutual agreement was not feasible.¹⁸¹ Iran did not accept a drafted technical agreement negotiated at the IAEA, but it did, however, offer a series of alternative proposals.¹⁸² Washington rejected these proposals, and in cooperation with the EU, the U.S publicly announced they would further reduce trade and financial interaction with Iranian companies.¹⁸³ Although further talks were continued in Geneva in December, 2010, and in Istanbul in January, 2011, there were no convincing results for either side.¹⁸⁴

The failure of the Geneva negotiations and the revelation by Iran of a new nuclear facility near Qom (Fardow, Iran) in September, 2009, led to UNSC Resolution 1929 in June, 2010, and a series of additional unilateral measures by the U.S., including the Comprehensive Iran Sanctions and Disinvestment Act of July, 2010 (CISADA), aimed at more restrictions on the Iranian economy. The EU also imposed its own sanctions, notably EC Council Regulation, 961, of October, 2010, which focused on energy, shipping and other sectors of the Iranian economy. Several other countries, including Australia, Canada, Japan, Norway and South Korea also imposed sanctions on Iran.¹⁸⁵

Obama's engagement policy failed due to Iran's refusal of the nuclear agreement in Geneva on October 1, 2009, and because of unrest in Iran after the 2009 election, combined with direct criticism of Iran on the part of the U.S. for its use of force against protesters¹⁸⁶ In addition, the Obama Administration considered Iran as one of the key national security challenges to the U.S.¹⁸⁷ Many officials in Obama's administration believed that "the engagement policy alone is

¹⁸⁰ Mohammad Ali Mousavi and Yasser Norouzi, "Iran-U.S. Nuclear Standoff: A Game Theory Approach." *Iranian Review of Foreign Affairs*, 1, No. 1 (2010): 125-126.

¹⁸¹ Perthes, "Ambition And Fear," 105.

¹⁸² Wyn Q. Bowen and Jonathan Brewer, "Iran's Nuclear Challenge: Nine Years and Counting." *International Affairs*, 87, No 4 (2011): 935.

¹⁸³ Perthes, "Ambition And Fear," 105.

¹⁸⁴ Bowen and Brewer, "Iran's Nuclear Challenge," 935.

¹⁸⁵ Bowen and Brewer, "Iran's Nuclear Challenge," 935.

¹⁸⁶ Katzman, "Iran: U.S. Concerns," 54.

¹⁸⁷ Katzman, "Iran: U.S. Concerns," 24.

not an effective way to thwart Iran from acquiring nuclear weapons and diplomacy's best chance of success requires all elements combining pressure and incentives to work simultaneously."¹⁸⁸

In addition, the high level of America's distrust in Iran, and the persistent lobbying of the neo-conservatives and pro-Israeli interest groups in the U.S made it difficult for Obama to uphold his engagement policy.¹⁸⁹ In the policy of 'bigger carrots and bigger sticks,' which is a more diplomatic and more aggressive method of engagement, Obama considered the 'bigger stick' as a more effective way to deal with Iran and its nuclear activities.¹⁹⁰

To be concise, both Presidents Bush and Obama actively attempted to prevent Iran from developing its nuclear programs through measures such as isolation and sanctions as they, like their predecessor, perceived Iran as a threat to U.S. interests. However, in the midst of all this international pressure, Iran continued to build its nuclear reactors.

¹⁸⁸ Scott Peterson, "For Iran, Wikileaks Cables Validate Its Scepticism Of Obama's Sincerity," *The Christian Science Monitor*, November 30, 2010.
<http://www.csmonitor.com/World/Middle-East/2010/1130/For-Iran-WikiLeaks-cables-validate-its-skepticism-of-Obama-s-sincerity> (Accessed November 09, 2011).

¹⁸⁹ Shahram Akbarzadeh, "Obama And The U.S. Policy Change On Iran." *Global Change, Peace and Security*, 21, No. 3 (2009): 399.

¹⁹⁰ Donette Murray, "The Carcass Of Dead Policies: Lessons For Obama In Dealing With Iran," *Contemporary Politics* 16, No. 2 (2010): 220-221.

CHAPTER 4

U.S. NATIONAL INTEREST IN THE MIDDLE-EAST AND IRAN'S NUCLEAR PROGRAM

4.1 Introduction

As observed above, the U.S. adopted hostile measures, including sanctions to prevent Iran from developing its nuclear weapons program. The pertinent question to ask then is why has the U.S. been so aggressive in halting Iran's nuclear weapons program?

According to the U.S. *National Strategy Report* in May, 2010, the United States has great interests in the Middle East. The report mentioned that "these interests include broad cooperation on a wide range of issues with our close friend, Israel, and an unshakable commitment to its security; the unity and security of Iraq; the transformation of Iranian policy away from its pursuit of nuclear weapons, support for terrorism, and threats against its neighbours; non-proliferation; and counterterrorism cooperation, access to energy, and integration of the region into the global market."¹⁹¹ In essence, U.S. interests are rooted in oil, Israel and security.

4.2 Oil

As stated in the May, 2010, U.S. *National Strategy Report*, the need for a stable and secure flow of energy or oil has dominated U.S. policy on the Middle East since World War II.¹⁹² In fact, the principal goal of the U.S. national security policy since then, and especially since the 1970s, has been to guarantee the stable and secured flow of oil from the Middle-East to the U.S. and its allies around the world, even through the use of military force.¹⁹³ Indeed, the announcement of the Carter Doctrine after the fall of the Shah in 1979, the emergence of the Khomeini regime in Iran, along with the Soviet invasion of Afghanistan strongly demonstrates this approach. In his Doctrine,

¹⁹¹ "The United States National Security Strategy," May 2010: 24.

http://www.whitehouse.gov/sites/default/files/rss_viewer/national_security_strategy.pdf (Accessed January 03, 2012).

¹⁹² Irene Gendzier, "Oil, Iraq And U.S. Foreign Policy In The Middle East." *Situation Analysis*, Issue 2, Spring 2003: 21.

<http://manghani.free.fr/sa/issue2/gendzier.pdf> (Accessed December 22, 2011).

¹⁹³ John S. Duffield, "Oil And The Iraq War: How The United States Could Have Expected To Benefit, And Might Still." *Middle East Review of International Affairs*, Vol. 9, No. 2 (June 2005): 112

President Carter mentions that “any attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America, and such an assault will be repelled by any means necessary, including military force.”¹⁹⁴ This statement shows the commitment of the U.S, including the use of military force to secure the stable flow of oil from the Middle East

According to a report by the Energy Information Administration (EIA) and the International Energy Agency (IEA) the percentage share of the Middle East's total oil production in the world in 2002 was 28.4%.¹⁹⁵ The report went further to propose that the world's demand for oil production from the Middle East may increase to more than 43% in 2030.¹⁹⁶ The report concluded that the world's dependence on energy from the Middle East states would increase substantially over the next two decades.¹⁹⁷

The above mentioned figure shows that, since the demand for petroleum is expected to increase by at least 50% over the next 20 years, only the Middle East has both the reserves and the production capacity to satisfy much of this demand.¹⁹⁸

Moreover, the cheap production costs of oil in the Middle East and the minimum capital required to increase production capacity there will greatly increase dependence on Middle Eastern oil reserves in the future.¹⁹⁹ Therefore, due to the vital role that oil reserves in the Middle East play in the world's economy, and especially the U.S economy, consistent access to oil from the Middle East is one of the most important reasons for U.S. interests there. Table 1 shows the contribution of oil from the Middle East to the U.S economy from 2005 to 2010.

¹⁹⁴ John S. Duffield, “Oil And The Iraq War: How The United States Could Have Expected To Benefit, And Might Still.” *Middle East Review of International Affairs*, Vol. 9, No. 2 (June 2005): 112

¹⁹⁵ Duffield, “Oil and The Iraq War,”111.

¹⁹⁶ Duffield, “Oil and The Iraq War,”111.

¹⁹⁷ Duffield, “Oil and The Iraq War,”111.

¹⁹⁸ Richard D. Sokolsky, *The United States And The Persian Gulf: Reshaping Security Strategy For The Post Containment Era*. (Honolulu: University Press of the Pacific, 2004), 17.

¹⁹⁹ Richard D. Sokolsky, *The United States And The Persian Gulf: Reshaping Security Strategy For The Post Containment Era*. (Honolulu: University Press of the Pacific, 2004), 17.

Table 1: U.S. Crude Oil Imports (Annual-Thousand Barrels Per Day).

Year	2005	2006	2007	2008	2009	2010
All countries	13,714	13,707	13,468	12,915	11,691	11,793
Middle East	2423	2300	2236	2233	1705	1750
Percentage share of crude oil	17.67%	16.78%	16.60%	17.29%	14.58%	14.84%

Source: U.S. Energy Information Administration.²⁰⁰

As shown in Table 1, despite the political and economic instability of the Middle East from 2005 to 2010 and the decrease in oil production around the world, oil imports from the Middle East alone contributed enormously to the U.S. economy during this period. In 2010, 15% of the 11,793 barrels of oil imported into the U.S. came from the Middle East. Because of the crucial role that these Middle Eastern oil imports play in the U.S economy, tied up with the effect of treasury bonds and other investments that Middle Eastern countries have on the U.S economy, any political or economic unrest in the Middle East and Persian Gulf states can generate a huge oil price hike, inflation, and subsequently dangerous economic problems in industrialised countries like the U.S. The 1973 Organization of Petroleum Exporting Countries (OPEC) oil price crisis and 1979 Iranian Revolution, both of which propelled an increase in oil price and subsequent economic crises in the U.S., clearly illustrate how instability in the Middle East can affect oil price and the U.S. economy. Indeed, During the Arab oil embargo in 1973, the price of crude oil jumped by over 300%, from \$US2.37 to \$US11.51 per barrel within a few months.²⁰¹ The increase in oil price cost the U.S. double the rate of inflation from 3.3% in 1972 to 6.2% in 1973 and 11% in 1974. It also created a total unemployment rate of 8.5% in the U.S. in 1975.²⁰²

²⁰⁰ U.S. Energy Information Administration,

http://www.eia.gov/dnav/pet/pet_move_impqus_a2_nus_ep00_im0_mbbldpd_a.htm (Accessed February 04, 2012).

²⁰¹ Negar Partow, "The Oil Market: Players, Challenges, And Opportunities". *Policy Quarterly*.7, Issue 3 (2008): 46. <http://ips.ac.nz/publications/files/88e4bb751ee.pdf> (Accessed January 03, 2012).

²⁰² John S. Duffield, *Over A Barrel: The Cost Of U.S. Foreign Oil Dependence*. (Stanford, Calif: Stanford Law And Politics, 2008), 43.

The 1979 Iranian Revolution also had a serious impact on production and the fluctuation of oil prices in the global market.²⁰³ As a result of the Revolution, crude oil prices almost tripled from \$13 per barrel in 1978 to \$34 in 1981.²⁰⁴ In the U.S. alone, the Gross National Product (GNP) decreased to below 3.6%.²⁰⁵

Because oil reserves in the Middle East, and especially in the Persian Gulf, play such a crucial role in the U.S. economy, the secure and stable flow of oil through the Persian Gulf and the Straits of Hormuz, the most strategically significant transit chokepoint in the world, with about one-fifth of the world's oil traffic passing through it, is vital to the U.S. and its allies.²⁰⁶ Because the U.S. imports about 25% of its oil via the Straits of Hormuz,²⁰⁷ keeping the Straits opened and secure comprises a crucial aspect of U.S. national interests in the Middle East and Persian Gulf.

It must also be mentioned that one of the most serious concerns of the international community and the U.S. is that Iran would use the leverage of nuclear capability to disrupt the flow of oil through the Straits of Hormuz, in order to achieve its political and economy goals, if it were able to develop its nuclear program.²⁰⁸ The U.S. and her allies again fear that it would be possible for Iran to threaten the use of its nuclear weapons as an umbrella to close the Straits of Hormuz.²⁰⁹ It has been estimated that even a 3 month closure of the Straits could cost the U.S. a 4% -5% decreases in GDP, with an up to 2% unemployment rate and 7% inflation rate.²¹⁰

At the beginning of 2010, when the Iranian government missed the deadline set by the Obama administration to open its secret uranium enrichment plant in Qom up to international inspection and to send any already enriched uranium abroad to be reprocessed into fuel, the Islamic Revolutionary Guard Corps (IRGC) held manoeuvres in the Persian Gulf and the Straits

²⁰³ Partow, "The Oil Market: Players," 46.

²⁰⁴ Walter C. Labys, "Globalization, Oil Price Volatility, And The U.S. Economy," *Natural Resource Economics Program*. (2006): 18.

<http://www.rri.wvu.edu/pdffiles/oilprice.pdf> (Accessed January 03, 2012).

²⁰⁵ Duffield, *Over A Barrel*, 43.

²⁰⁶ Dagobert Brito and Amy A. Jaffe, "Reducing Vulnerability Of The Strait Of Hormuz," in *Getting Ready For A Nuclear Ready Iran*. (Carlisle: Strategic Studies Institute U. S. Army War Co, 2005), 209.

²⁰⁷ Brito and Jaffe, "Reducing Vulnerability," 209.

²⁰⁸ Brito and Jaffe, "Reducing Vulnerability," 211-212.

²⁰⁹ Brito and Jaffe, "Reducing Vulnerability," 215.

²¹⁰ Brito and Jaffe "Reducing Vulnerability," 215.

of Hormuz.²¹¹ In December, 2011, because of sanctions imposed on Iran and its debilitating effect on their economy, Iran threatened to block the Straits of Hormuz.²¹² In fact, Iran's threats regarding the Straits of Hormuz was in response to U.S. preparations to impose tougher sanctions that would ban dealings with Iran's Central Bank. The sanctions also targeted Iran's oil sector.

These sanctions, if imposed, would deeply hurt Iran's oil exports, since most countries and companies use the bank to conduct purchases of Iranian crude oil.²¹³ The actions of Iran in the Persian Gulf and the Straits of Hormuz increased concern amongst U.S. policymakers in the sense that any disruption of oil supply from the Straits would increase oil price dramatically and create a physical shortage of oil. This had the potential to deliver a catastrophic shock to the global economy.²¹⁴ For example, in the recent U.S. – Iran confrontation, oil prices increased by \$4 on Tuesday, January 03, 2012, from \$107 to \$111, after Iran's threat to close the Straits of Hormuz.²¹⁵

The U.S. considers the stable flow of oil through the Straits as crucial to U.S. national and security interests in the Middle East. This has caused the U.S. increasing anxiety for many years regarding the realities of being associated with Iran's nuclear program and its threat to the transit of oil through the Straits of Hormuz.²¹⁶ Thus, it can be argued that the security threat to the free flow of oil from the Persian Gulf, and particularly via the Straits of Hormuz, is one of the major reasons why the U.S. is opposed to Iran's nuclear program.

4.3 Israel

Although the stable flow of energy from the Middle East is of great interest to the U.S., the close relationship between the U.S and Israel on a broad range of issues is another reason why the U.S. is against Iran's nuclear program. In this section, I will argue that Israel, as the

²¹¹ Peter J. Pham, "Iran's Threat To The Strait Of Hormuz: A Realist Assessment," *American Foreign Policy Interests*, 32, (2010): 64.

<http://www.tandfonline.com/doi/pdf/10.1080/10803921003697542> (Accessed January 03, 2012).

²¹² British Broadcasting Cooperation. *U.S. Warns Iran Over Threat To Block Oil Route*, December 28, 2011.

<http://www.bbc.co.uk/news/world-middle-east-16348633> (Accessed January 03, 2012).

²¹³ The Manchester Guardian, *Oil Prices Soar As Iran Warns U.S. Aircraft Carrier Away From Persian Gulf*, January 03, 2012.

<http://www.guardian.co.uk/world/2012/jan/03/oil-prices-up-iran-america-tensions> (Accessed January 03, 2012).

²¹⁴ Pham, "Iran's Threat," 64.

²¹⁵ Pham, "Iran's Threat," 64.

²¹⁶ Pham, "Iran's Threat," 64.

main ally of the U.S. in the Middle East, has strong financial, military, diplomatic and political ties with the U.S., which has integrated Israel into U.S. national interests there. Because Iran's nuclear program is a threat to Israel's interests in the Middle East, the U.S. wishes to prevent Iran from developing it.

Three main points are presented in this section to back up my argument. First, the high level of financial and military assistance provided by the U.S. to Israel since the creation of the State of Israel after World War II (WWII) has been a major reason for cementing U.S. interests with Israel in the Middle East. Secondly, the strong diplomatic support for Israel on the part of the U.S. in international organizations, such as the UN and the IAEA, also strengthens the relationship between the two countries. Finally, the presence of a strong Israel community and Israel lobbyists in the U.S. is another reason why the U.S. government considers Israel as part of its national interests in the Middle East. These points are explained below.

In "The World without Zionism," a conference held in Tehran on October 26, 2005, the Iranian President, Mahmoud Ahmadinejad called for the destruction of the State of Israel. Ahmadinejad mentioned that, "the occupying regime must be wiped off the map."²¹⁷ In this statement, the "occupying regime" was used in reference to the establishment of the State of Israel on land claimed by Palestinians. In another speech in the Iranian city of Zahedan, Ahmadinejad asserted that "the murder of six million Jews during World War II is a myth." In addition, he called for Europe, North America or even Alaska to host a Jewish state, but not the Middle East.²¹⁸

This rhetoric has been repeated on several occasions by Iranian officials on different platforms since the Islamic Revolution, raising concern in the U.S. over a nuclear Iran becoming a threat to Israel's security. Since their unshakable commitment to Israel's security, as mentioned in the May, 2010, U.S. National Strategy Report, is a matter of U.S. interest in the Middle East, Iran's nuclear activities are seen as a threat to the security of Israel and also to these U.S.

²¹⁷ Presidency Of The Islamic Republic Of Iran, "World without Zionism," October 26, 2005. <http://web.archive.org/web/20060625220249/http://www.president.ir/farsi/ahmadinejad/speeches/1384/aban-84/840804sahyonizm.htm> (Accessed January 03, 2012).

²¹⁸ British Broadcasting Cooperation. *Iranian leader denies Holocaust*, December 14, 2005. http://news.bbc.co.uk/2/hi/middle_east/4527142.stm (Accessed January 03, 2012).

interests. In a speech by President Bush on his visit to Israel on January 6, 2008, Bush declared, “If Iran did strike Israel... we will defend our ally (Israel), no ands, ifs, or buts.”²¹⁹

The U.S. – Israel relationship, as mentioned earlier, began with the creation of the State of Israel. On May 14, 1948, the U.S., under President Harry Truman, became the first country to recognize the State of Israel. Since then, the U.S. has provided a great deal of financial and military assistance, e.g. a \$100 million loan to Israel in 1949.²²⁰ Since then, U.S. financial and military assistance to Israel has been increasing dramatically. It must be emphasised, however, that the U.S. is not the only country that provides economic aid to Israel. Another country that supports and provides Israel with advanced military equipment and technology is France, but even though France and other European countries have been providing military and financial assistance to Israel for several years, the U.S. still remains their main supporter. Even after the Six Day War between Israel and Egypt in 1967, and following Israel’s victory, when it was able to demonstrate its military superiority in the region, U.S. aid to Israel still increased unprecedentedly and rose by 450%.²²¹ Again, the Johnson Administration agreed to sell Phantom aircraft to Israel in 1968 with the strong support of the U.S. Congress.²²²

Indeed, U.S. aid to Israel amounted to \$3.2 billion from 1949 to 1973. Between 1974 and 1997, however, U.S. aid to Israel increased to a total of \$75 billion.²²³ This aid was in the form of financial and military assistance. On the other hand, in recent years and with the rapid economic growth of Israel, almost all U.S. aid to Israel has been in the form of military assistance.²²⁴ In 2008, Israel did not receive an Economic Support Fund in the form of aid from the U.S.²²⁵ In the same year, in the wake of cuts in economic assistance; the U.S. increased its military aid to Israel

²¹⁹ Carol Migdalovitz, “Israel: Background and Relations With The United States,” *Congressional Research Service*, (February 26, 2008): 2.

<http://fpc.state.gov/documents/organization/110751.pdf> (Accessed January 03, 2012).

²²⁰ Jeremy M. Sharp, “U.S. Foreign Aid To Israel,” *Congressional Research Service*, (September 16, 2010): 21. <http://www.fas.org/sgp/crs/mideast/RL33222.pdf> (Accessed January 03, 2012).

²²¹ Stephen Zunes, S. “The Strategic Functions Of U.S. Aid To Israel,” *Middle East Policy*, 4, Issue 4 (1996): 92-93.

²²² Sharp, “U.S. Foreign Aid,” 21-22.

<http://www.fas.org/sgp/crs/mideast/RL33222.pdf> (Accessed January 03, 2012).

²²³ Robert J. Lieber, “The US-Israeli relationship after 50 years,” *Israel Affairs*, 5, No.1 (1998): 22.

²²⁴ Casey L. Addis “Israel: Background And U.S. Relations,” *Congressional Research Service*, (February 14, 2011): 26-27.

<http://www.fas.org/sgp/crs/mideast/RL33476.pdf> (Accessed January 03, 2012).

²²⁵ Sharp, “U.S. Foreign Aid,” 1.

from \$1.8 billion to \$2.4 billion.²²⁶ Table 2 shows the amount of U.S. military aid to Israel from 2009 to 2011.

Table 2: The United States Military Aid to Israel (Fiscal Year 2009 - Fiscal Year 2011)

Fiscal Year	2009	2010	2011
Amount in Billion U.S Dollars	2.55	2.77	3.00

Source: Federation of American Scientists²²⁷

In fact, the increase in U.S. military assistance to Israel is rooted in a Memorandum of Understanding signed by the Bush administration in 2007.²²⁸ In this memorandum, the U.S. pledged \$30 billion security assistance to Israel over a 10-year period.²²⁹

The agreement calls for incremental annual increases in Foreign Military Financing (FMF) to Israel. As shown in Table 2, U.S. military assistance increased from \$2.55 billion in the fiscal year 2009, to \$3 billion in the fiscal year 2011.²³⁰ Scholars like Miller have argued that the agreement U.S had with Israel was vital as Israel faced multiple security threats, including threats from a nuclear Iran and missile attack by organizations such as Hamas and Hezbollah that are recognised as terrorist organisations by the U.S. and Israel. Miller further argued that the growing arsenals of these terrorist groups, especially the expanding power of Hezbollah in Lebanon, as well as the imminent danger of Iran, demonstrates how essential it is to preserve Israel's regional strategic security in the Middle East.²³¹

Because of Iran's nuclear program and the threat of terrorist attack from Hamas and Hezbollah, as well as ongoing instability in the Middle East, many pro-Israeli groups in the U.S., including the American Israel Public Affairs Committee (AIPAC), believe that it would be beneficial for the U.S. to keep its commitment to Israel's security in future, since Israel is the

²²⁶ Migdalovitz, "Israel: Background," 27.

²²⁷ Source: Federation of American Scientists, <http://www.fas.org/sgp/crs/mideast/RL33222.pdf> (Accessed January 03, 2012).

²²⁸ Addis, "Israel: Background," 26-27.

²²⁹ Addis, "Israel: Background," 26-27.

²³⁰ Addis, "Israel: Background," 26-27.

²³¹ Elissa Miller, "The Strategic U.S. – Israel Relationship," *The Tufts Daily*, February 17, 2011. <http://www.tuftsdaily.com/the-strategic-us-israel-relationship-1.2472499#.TwQSBzVPt11> (Accessed January 03, 2012).

only stable and pro-Western democratic state that can protect U.S. interests in the Middle East.²³² It has also been argued by AIPAC that U.S. security assistance to Israel also provides many benefits for the U.S. AIPAC believe that “for decades, U.S. support for Israel through annual security aid has helped the U.S. achieve critical goals in the Middle East and created jobs for Americans, as Israel is required to spend 74% of U.S. aid in the U.S.”²³³

Furthermore, AIPAC has argued that Israel provides U.S. the opportunity to test its weapons and military technologies in order to improve both its equipment and tactics. Example of this opportunity includes the involvement of the U.S. in the Iraq and Afghanistan war. Finally, AIPAC has argued that U.S. military support to Israel has decreased the chance of major regional war as Israel’s enemies cannot overcome Israel with military capability.²³⁴

In addition to economic and military assistance, the U.S. provides Israel with unflinching diplomatic support in the international community and organisations. A good example of this support is the number of resolutions against Israel that have been vetoed by the U.S (See Table 3). As shown in Table 3, between 1972 and 2011, Washington vetoed 43 UNSC resolutions that condemned Israel.²³⁵ The last resolution vetoed by the U.S. was on September 19, 2011. This resolution demanded that “Israel, as the occupying power, immediately and completely ceases all settlement activities in the occupied Palestinian territory including East Jerusalem and that Israel fully respect its legal obligations in this regard.”²³⁶ All fourteen members of the Security Council voted for the resolution and it was only the U.S, one of the five permanent members of the

²³² The American Israel Public Affairs Committee, “Meeting U.S. Commitment to Israel’s Security Is Essential”. (March 09, 2011).

http://www.aipac.org/~media/Publications/Policy%20and%20Politics/AIPAC%20Analyses/Issue%20Memos/2011/03/AIPAC_Memo_Meeting_US_Commitment_to_Israels_Security_Is_Essential.pdf (Accessed January 03, 2012).

²³³ The American Israel Public Affairs Committee, “Meeting U.S. Commitment to Israel’s Security Is Essential”. (March 09, 2011).

http://www.aipac.org/~media/Publications/Policy%20and%20Politics/AIPAC%20Analyses/Issue%20Memos/2011/03/AIPAC_Memo_Meeting_US_Commitment_to_Israels_Security_Is_Essential.pdf (Accessed January 03, 2012).

²³⁴ The American Israel Public Affairs Committee, “Meeting U.S. Commitment to Israel’s Security Is Essential”. (March 09, 2011).

http://www.aipac.org/~media/Publications/Policy%20and%20Politics/AIPAC%20Analyses/Issue%20Memos/2011/03/AIPAC_Memo_Meeting_US_Commitment_to_Israels_Security_Is_Essential.pdf (Accessed January 03, 2012).

²³⁵ U.S. Vetoes of UN Resolutions Critical Of Israel: 1972 – Present, September 22, 2011.

<http://elpidiovaldes.wordpress.com/2011/09/22/u-s-vetoes-of-un-resolutions-critical-of-israel-1972-present/> (Accessed January 03, 2012).

²³⁶ United Nations News Centre, “United States Vetoes Security Council Resolution On Israeli Settlements,” February 18, 2011.

<http://www.un.org/apps/news/story.asp?NewsID=37572&Cr=palestin&Cr1> (Accessed January 03, 2012).

UNSC, who voted against it. Explaining why the U.S. vetoed this, the U.S.-UN Ambassador Susan E. Rice said the vote should not be misunderstood as support for settlement activity. “On the contrary, we reject in the strongest terms the legitimacy of continued Israeli settlement activity,” she declared, “Continued settlement activity violates Israel’s international commitments, devastates trust between the parties, and threatens the prospects for peace...”²³⁷

Table 3: The resolutions vetoed by the U.S. administrations against Israel in the United Nations Security Council from 1972 to 2011

President	Nixon	Ford	Carter	Reagan	G.W. Bush	Clinton	G. Bush	Obama
Number of Vetoes	2	4	1	19	4	3	9	1

Source: World Press²³⁸

As shown in Table 3, from a total of 43 resolutions vetoed by the U.S. in the UNSC, 5 were applied by Democrat administrations during Carter, Clinton and Obama’s terms of office, with the other 38 vetoes being applied by Republican administrations.²³⁹

In addition, there were also numerous resolutions focusing on Israel that never reached the voting stage in the UNSC, due to the threat of a veto. The U.S. has voted for UN resolutions on a few occasions, whenever the UN resolution focused on mild criticism or when the U.S. wanted to exert pressure on Israel.²⁴⁰ Outside the UNSC, the U.S. routinely backs Israel whenever the UN General Assembly passes one of its many resolutions condemning Israeli behaviour or calling for action on behalf of the Palestinians.²⁴¹ Similarly, when Arab countries try to raise the issue of Israel’s undeclared nuclear arsenal within the IAEA, Washington steps in to prevent the organisation from placing the matter on its agenda.²⁴²

²³⁷ United Nations News Centre, “United States Vetoes Security Council Resolution On Israeli Settlements,” February 18, 2011.

²³⁸ U.S. Vetoes of UN Resolutions Critical Of Israel: 1972 – Present, September 22, 2011. <http://elpidiovaldes.wordpress.com/2011/09/22/u-s-vetoes-of-un-resolutions-critical-of-israel-1972-present/> (Accessed January 03, 2012).

²³⁹ U.S. Vetoes of UN Resolutions Critical Of Israel: 1972 – Present, September 22, 2011.

²⁴⁰ John J. Mearsheimer and Stephen M. Walt, *The Israel Lobby And U.S. Foreign Policy* (New York: Farrar, Straus and Giroux, 2007), 40.

²⁴¹ Mearsheimer and Walt, *The Israel Lobby*, 40-41.

²⁴² Mearsheimer and Walt, *The Israel Lobby*, 41.

Apart from U.S. military and financial aid and strong diplomatic support to Israel in the international community, the Israel lobby and pro-Israel groups are another crucial element in the U.S.-Israel relationship. The Israel lobby and pro-Israel groups have been influential in the U.S. policy-making process for many years.²⁴³ This influence is not unusual as the U.S. has the largest Jewish population in the world: about 2.5% to 3% of the American population (5 to 6 million), with strong positions in U.S. politics and society.²⁴⁴ In the American political scene, and mostly in American presidential elections, the Jewish population have a high turnout. This is especially important since most Jews inhabit key states like California, Florida, Illinois, New Jersey, New York, and Pennsylvania, which determine who becomes President of the U.S.²⁴⁵ About 95% of Jews believe that the U.S. should offer Israel both diplomatic and military support.²⁴⁶ In addition, about 50% of Jews believe that the U.S. should help Israel even when U.S. has to go to war.²⁴⁷ This clearly shows that the most committed U.S. presidential candidate to Israel affairs is the most favorable candidate for these pro-Israel groups in America.²⁴⁸

In addition to the strong political participation of Jews, the financial support of American Israel lobbies during election campaigns has also increased the dependence of American politicians on Jewish voters.²⁴⁹ Jews are recognized for their generous donation and funding in American politics.²⁵⁰ American Jews are "among the major financiers of political parties"²⁵¹ and the support of Israel is one of the important issues that both Republican and Democrat candidates acknowledge in U.S. presidential campaigns.²⁵²

Studies of various U.S. administrations show the role of Israel lobbies in both Republican and Democrat governments. For example, it has been suggested that because the Clinton

²⁴³ Odeh Abu Rudeneh, "The Jewish Factors In U.S. Politics," *Journal Of Palestine Studies*, 1, No. 4 (1972): 93. <http://www.jstor.org/stable/pdfplus/2535665.pdf?acceptTC=true> (Accessed January 03, 2012).

²⁴⁴ Odeh Abu Rudeneh, "The Jewish Factors In U.S. Politics," *Journal Of Palestine Studies*, 1, No. 4 (1972): 93. <http://www.jstor.org/stable/pdfplus/2535665.pdf?acceptTC=true> (Accessed January 03, 2012).

²⁴⁵ Mearsheimer and Walt, *The Israel Lobby*, 163.

²⁴⁶ Rudeneh, "The Jewish Factors," 95. <http://www.jstor.org/stable/pdfplus/2535665.pdf?acceptTC=true> (Accessed January 03, 2012).

²⁴⁷ Rudeneh, "The Jewish Factors," 95. <http://www.jstor.org/stable/pdfplus/2535665.pdf?acceptTC=true> (Accessed January 03, 2012).

²⁴⁸ The Role Of Israeli Lobby In U.S. Presidential Elections, May 09, 2009. <http://www.buckbuckley.com/the-role-of-israeli-lobby-in-us-presidential-elections/> (Accessed January 03, 2012).

²⁴⁹ Rudeneh, "The Jewish Factors," 98.

²⁵⁰ Rudeneh, "The Jewish Factors," 99.

²⁵¹ Rudeneh, "The Jewish Factors," 99.

²⁵² Mearsheimer and Walt, *The Israel Lobby*, 163.

administration had some leading pro – Israel supporters in the administration, that this may have influenced his policy in Middle East. Notably, among these individuals were “Martin Indyk, the former deputy director of research at AIPAC and cofounder of the pro-Israel Washington Institute for Near East Policy, who served as a member of the National Security Council, as ambassador to Israel and as Assistant Secretary of State during the Clinton administration.”²⁵³ Another pro-Israeli is Dennis Ross who was Clinton’s special delegate in the Middle East.²⁵⁴

AIPAC’s mission is to “insure close and consistently strong U.S. - Israel relations.”²⁵⁵ Moreover, AIPAC administers many activities including frequent policy conferences in Washington, breakfast meetings with Jewish leaders and different workshops to analyse how to influence the media.²⁵⁶ Many important politicians including George W. Bush, Bill Clinton, Dick Cheney, Hillary Clinton, John Edwards, John McCain, and Barack Obama have attended these conferences.²⁵⁷ For example, in May 2004, President George W. Bush attended an AIPAC policy conference and in the conference, Bush mentioned that “by defending the freedom, prosperity and security of Israel, you are also serving the cause of America. Our nation is stronger and safer because we have a true and dependable ally in Israel.”²⁵⁸

Apart from AIPAC, Christian evangelicals also influence U.S. relations with Israel. Christian evangelicals are a powerful pro-Israel group in the U.S. who are also active members of AIPAC;²⁵⁹ they believe that Israel’s rebirth is part of Biblical prophecy and so support Israel’s expansionist agenda and believe that pressuring Israel is contrary to God’s will.²⁶⁰ According to Mearsheimer & Walt:...by providing financial support to the settler movement and by publicly inveighing against territorial concessions, the Christian Zionists have reinforced hard-line attitudes in Israel and the U.S. and have

²⁵³ Mearsheimer and Walt, *The Israel Lobby*, 165-166.

²⁵⁴ Mearsheimer and Walt, *The Israel Lobby*, 165-166.

²⁵⁵ Janice Terry, *U.S. Foreign Policy In The Middle East: The Role Of Lobbies And Special Interest Groups* (London: Pluto Press, 2005), 71-72.

²⁵⁶ Terry, *U.S. Foreign Policy*, 71-72.

²⁵⁷ The Role Of Israeli Lobby In U.S. Presidential Elections, May 09, 2009.

<http://www.buckbuckley.com/the-role-of-israeli-lobby-in-us-presidential-elections/> (Accessed January 03, 2012).

²⁵⁸ Mearsheimer and Walt, *The Israel Lobby*, 163.

²⁵⁹ The Role Of Israeli Lobby In U.S. Presidential Elections, May 09, 2009.

<http://www.buckbuckley.com/the-role-of-israeli-lobby-in-us-presidential-elections/> (Accessed January 03, 2012).

²⁶⁰ John J. Mearsheimer And Stephen M. Walt “The Israel Lobby And U.S. Foreign Policy,” *London Review Of Books*, 28, No. 6 (2006): 15.

made it more difficult for American leaders to put pressure on Israel. Absent their support, settlers would be less numerous in Israel, and the U.S. and Israeli governments would be less constrained by their presence in the occupied territories as well as their political activities. Plus, Christian tourism has become a lucrative source of income for Israel, reportedly generating revenues in the neighbourhood of \$1 billion each year.”²⁶¹

However, some scholars including Alan Dershowitz argues that the role of the lobby in U.S. has been exaggerated by Mearsheimer and Walt .He believes that “this type of paranoid worldview, in which Jews manipulate and control the media and government, is not the sort of argument one would expect from prominent academics.”²⁶² Also David Gergen in his article “An Unfair Attack” argues that Mearsheimer and Walt charges against Dennis Ross and Martin Indyk impugn their loyalty and services to America's national security. He also discusses that “it is wrong and unfair to call into question the loyalty of millions of American Jews who have faithfully supported Israel while also working tirelessly and generously to advance America's cause, both at home and abroad. They are among our finest citizens and should be praised, not pilloried.”²⁶³

Briefly, therefore, U.S. financial and military aid, as well as, its diplomatic support for Israel and the vital element of the Israel lobby, represent three important factors that shape U.S. and Israeli relations in the Middle-East and thus influence U.S policy regarding this region.

4.4 Security

The problem of terrorism has been at the forefront of the U.S.–Iran relationship for many years. Since 1984, the U.S. has considered Iran as a state that sponsors terrorism and recently, the U.S. Department of State declared Iran as “the most active state sponsor of terrorism.” ²⁶⁴ Indeed, after the 1979 Iranian Revolution, because of the high level of tension between the U.S. and Iran, the U.S. repeatedly accused Iran of providing substantial amounts of weapons and

²⁶¹ Mearsheimer and Walt, *The Israel Lobby*, 138.

²⁶² Alan Dershowitz, “Debunking the newest and oldest Jewish Conspiracy: A reply to the Mearsheimer – Walt working paper,” Harvard Law School, April 2006: 17.

²⁶³ David Greg, “An Unfair Attach,” U.S. News and World Report, 23 June 2006, <http://www.usnews.com/usnews/opinion/articles/060403/3edit.htm> (Accessed September 04, 2012)

²⁶⁴ Shahram Chubin, *Iran's Nuclear Ambitions* (Washington: Carnegie Endowment For International Peace, 2006), 51.

financial assistance to hostile organisations and groups like Hezbollah, which are against U.S. interests in the Middle-East.

Hezbollah is a Shiite military, political and social organization in Lebanon which was formed in 1982 and which has strong ties with Iran. Over the years, Hezbollah has transformed itself from a militant group to being Lebanon's prominent political and military force. Nonetheless, the U.S. still considers Hezbollah as a terrorist group and has accused them of masterminding several acts of anti-U.S. and anti-Israeli terrorism during the 1980s and 1990s. The biggest of these acts by Hezbollah was the bombing of the U.S. marine peacekeepers in Lebanon in October, 1983.²⁶⁵ The attack in Beirut killed 241 marines and forced President Ronald Reagan to withdraw all U.S. troops from Lebanon.²⁶⁶

Since the formation of Hezbollah, the Iranian government has developed a cordial relationship with the group as the two share common religious and ideological believes.²⁶⁷ The support of Hezbollah has led Iran to be included in the list of states that support terrorism. The U.S. has accused Iran of providing significant intelligence information and military training to Hezbollah forces during the past few decades. In fact, it is true that Hezbollah has benefited from its close relationship with Iranian organizations like the Islamic Revolutionary Guard Corps and Iranian officials, including the Supreme Leader Ali Khamenei, more than any other group or movement since the Islamic Revolution.²⁶⁸

Because of the close relationship between Iran and Hezbollah, Iran's nuclear program has given significant grounds for concern in the U.S, Israel and in many Western countries. Several scholars, including Kenneth Kezman, have argued that Iran's close relationship with organizations such as Hezbollah would increase the possibility of nuclear proliferation to non-state organisations in the event of Iran acquiring nuclear weapons. This would threaten the security of all countries, not just the U.S. According to Kezman, "Iran has long seen Hezbollah

²⁶⁵ Adam Shatz, "In Search Of Hezbollah," *The New York Review Of The Books*, April 29, 2004. <http://www.nybooks.com/articles/archives/2004/apr/29/in-search-of-hezbollah/?page=2> (Accessed January 03, 2012).

²⁶⁶ Adam Shatz, "In Search Of Hezbollah," *The New York Review Of The Books*, April 29, 2004. <http://www.nybooks.com/articles/archives/2004/apr/29/in-search-of-hezbollah/?page=2> (Accessed January 03, 2012).

²⁶⁷ Katzman, "Iran: U.S. Concerns," 43-44.

²⁶⁸ Byman, "Iran, Terrorism, And Weapons," *Studies In Conflict & Terrorism*, 31, (2008): 172 – 173.

as an instrument to exert regional influence”.²⁶⁹ These close relationships, along with Iran’s desire to pursue a nuclear program, make Iran a potential threat as a supplier of such weapons to terrorist groups.²⁷⁰ In this case, Iran could use these groups as a possible nuclear threat to the U.S. and Israel.²⁷¹

Apart from the suspicion of a potential threat of nuclear proliferation on the part of Iran, there is also the possibility that the transfer of nuclear information or technology will take place without explicit state involvement.²⁷² Scholars like Shahram Chubin have argued that “even if the Iranian government were committed to securing nuclear arms, some powerful internal organizations, such as the Revolutionary Guards, may contain unstable elements willing to transfer sensitive nuclear technology to terrorist groups”.²⁷³ It has been argued that the transfer of nuclear technology could be carried out by unhappy members of the government in time of crisis. Chubin, for instance, have argued that “without severe supervision the probability of transfers would be higher.”²⁷⁴ Therefore, preventing nuclear proliferation to states like Iran becomes a means of preventing nuclear transfer to terrorists groups.²⁷⁵ As President Bush asserted in a 2005 speech at the National Endowment for Democracy, “We are determined to deny weapons of mass destruction to outlaw regimes and their terrorist allies who would use them without hesitation.”²⁷⁶

An Iran with nuclear arms also has an influence on the balance of power in the Middle East. Iranian neighbours, especially the Persian Gulf States, consider Iran’s nuclear program as a threat to their own security and stability.²⁷⁷ Many scholars have argued that “an Iran with nuclear arms is more of an immediate threat to the region and its neighbours than any other state or area. In fact, Iran’s neighbours will have to adjust to living alongside Iran’s nuclear capability and

²⁶⁹ Katzman, “Iran: U.S. Concerns And Policy Responses,” 43-44.

²⁷⁰ Chubin, *Iran’s Nuclear*, 51.

²⁷¹ Henry Sokolski and Patrick Clawson, *Checking Iran’s Nuclear Ambitions*. (Carlisle: Strategic Studies Institute, 2004), 18.

<http://www.strategicstudiesinstitute.army.mil/pdffiles/pub368.pdf> (Accessed January 03, 2012).

²⁷² Mark Fitzpatrick, “Assessing Iran’s Nuclear programme,” *Survival*, 48, No. 3 (2006): 21.

<http://www.tandfonline.com/doi/pdf/10.1080/00396330600905494> (Accessed January 03, 2012).

²⁷³ Chubin, *Iran’s Nuclear Ambitions*, 49.

²⁷⁴ Chubin, *Iran’s Nuclear Ambitions*, 49.

²⁷⁵ Chubin, *Iran’s Nuclear Ambitions*, 51.

²⁷⁶ Chubin, *Iran’s Nuclear Ambitions*, 51.

²⁷⁷ Chubin, *Iran’s Nuclear Ambitions*, 127.

missiles. These military capabilities will aggravate already existing geopolitical disparities, Iran's demographic and geographical weight, and the possible political ascendance of Shi'a in the Gulf region".²⁷⁸

A copy of a leaked cable on April 20, 2008, published in the *New York Times* after being released by the whistleblower, WikiLeaks, clearly shows the concern of Arab states, especially Saudi Arabia, over Iran's nuclear activities.²⁷⁹ The cable detailed a meeting between General David Petraeus, the top U.S. military commander in the Middle East, U.S. ambassador to Iraq, Ryan Crocker, King Abdullah, and other Saudi Princes. At the meeting, the Saudi ambassador to the U.S., Adel al-Jubeir "Recalled the Saudi King's frequent exhortations to the U.S. to attack Iran and by so doing put an end to Iran's nuclear weapons program." The cable also made it clear that the Saudi ambassador asked Americans "to cut off the head of the snake,"²⁸⁰ the "snake" being a reference to Iran. A Saudi newspaper also observed in 2003 that nobody believed Iran sought nuclear weapons to use against Israel or the U.S, as "the real target is the neighbouring countries."²⁸¹

Apart from Saudi Arabia, other Persian Gulf States are also worried that a nuclear Iran will become more aggressive against them.²⁸² This concern is informed by Iran's history in the region. In fact, Iran's ambition for regional dominance started during the Shah's reign. Iran's support for Shi'a groups in the 1980s and in the early 1990s, and the Iranian government's attempt to export the Islamic Revolution to the western shores of the Persian Gulf are still fresh in the memory of most Arab states.²⁸³

For these reasons, it does seem more likely that Iran's acquisition of nuclear weapons might encourage other states in the region to improve their military and defensive position. The

²⁷⁸ Chubin, *Iran's Nuclear Ambitions*, 127.

²⁷⁹ Ross Colvin, "Cut Off Head Off Snake "Saudis Told U.S. On Iran," *Reuters News Agency*, November 29, 2010. <http://www.reuters.com/article/2010/11/29/us-wikileaks-iran-saudis-idUSTRE6AS02B20101129> (Accessed January 03, 2012).

²⁸⁰ Colvin, "Cut Off Head Off Snake,"

²⁸¹ Chubin, *Iran's Nuclear Ambitions*, 128.

²⁸² Dalia D. Kaye and Frederic M. Wehery, "A Nuclear Iran: The Reactions of Neighbours," *Survival*, 49, No. 2 (2007): 118.

<http://www.tandfonline.com/doi/pdf/10.1080/00396330701437777> (Accessed January 03, 2012).

²⁸³ Yoel Guzansky, "The Arab Gulf States And The Iranian Nuclear Challenge: In The Line Of Fire," *Comprehensive Tabloid Weekly*, February 09, 2011.

<http://www.weeklyblitz.net/1272/the-arab-gulf-states-and-the-iranian-nuclear> (Accessed January 03, 2012).

nuclear arms race is most likely to be a reaction to the emergence of a new nuclear power in the region.²⁸⁴ In fact, when Iran's uranium enrichment centrifuge program was disclosed in 2003, most countries in the Middle East and Persian Gulf decided to invest in nuclear power plants. The Gulf Cooperation Council (GCC) under Saudi Arabian leadership arranged a team to study the peaceful purposes of nuclear power.²⁸⁵ Saudi Arabia announced plans to build 16 nuclear reactors as a 20 year perspective and in June, 2011, they signed a nuclear cooperation agreement with Argentina to develop the use of atomic technology in the industry.²⁸⁶ The UAE also began cooperating with the IAEA in order to receive assistance to set up nuclear energy operations and to publish a comprehensive nuclear policy paper entitled "Policy of the United Arab Emirates on the Evaluation and Potential Development of Peaceful Nuclear Energy" that analyses the energy needs of the country over the next several decades.²⁸⁷

To summarise, an Iran with nuclear arms would change the balance of power in the Middle East and the Persian Gulf and encourage other states in the region to improve their military bases with a nuclear approach. Indeed, the rise of nuclear power would subsequently trigger instability and more conflict to undermine U.S. national interests in the Middle East.

²⁸⁴ Bahgat "Nuclear proliferation," 316.

²⁸⁵ Richard L. Russell, "Off and Running: The Middle East Nuclear Arms Race," *Joint Force Quarterly*, Issue 58 (2010): 95.

<http://www.dtic.mil/cgi-bin/GetTRDoc?Location=U2&doc=GetTRDoc.pdf&AD=ADA536884> (Accessed January 03, 2012).

²⁸⁶ Awadh Al Badi, "Nuclear Energy In The Gulf Cooperation Council States," *Security Index*, 18, No 1: 95.

²⁸⁷ Badi, "Nuclear Energy In The Gulf," 95-96.

CHAPTER 5

CONCLUSION

Iran's nuclear program began in 1953. After Operation Ajax, a coup that overthrew the government of Mohammad Mosaddegh for nationalizing oil fields and refineries previously managed by the Anglo-Persian Oil Company, the new government under the Shah, with strong support from the U.S., initiated the Iranian nuclear program. It must be emphasized, however, that this nuclear program was for peaceful purposes only. The analysis has shown that it was the U.S., under President Eisenhower's "Atoms for Peace" mission, which established the foundations of Iran's nuclear program. In addition to Eisenhower's "Atoms for Peace" incentive, the U.S. Congress passed the Atomic Energy Act (AEA) in 1954 to strengthen its support for nuclear agreements with its allies, such as the Shah of Iran.

A historical analysis of the development of Iran's nuclear program demonstrates that the support given to the Shah by the U.S. for his nuclear program initiative had a highly significant impact on Iran's nuclear development. Indeed, the Shah benefited from his special relationship with the U.S. when developing his program. Historical analysis also indicates that the U.S. position towards Iran's nuclear program changed after the Islamic Revolution in Iran in 1979. Not only was this change motivated by the hostile stance of Tehran towards the administration, but more importantly by the fact that the U.S. and its allies became convinced that Iran was developing nuclear weapons program.

What made this situation even more critical for the U.S. was also the fact that the new Islamic regime also adopted a very hostile stance towards the U.S. These were evident from the very start when it by suspended all contracts the Shah held with them including all agreements and contracts related to Iran's nuclear program. There were indications that Iran's internal and international problems during the first couple years following the Islamic Revolution, including the Iran-Iraq war, interrupted Iran's nuclear activities. However, Iraq's resort to chemical attack on Iran during the eight year Iraq-Iran war and the silence of the international community over this use of chemical weapons, combined with the support given to Iraq by the U.S. at that time, encouraged Iran to renew its nuclear facilities and begin its nuclear activities. Critically, however, was the fact that the nuclear program now included a weapons component.

In Chapter 4, it was shown that in 2003, the revelation of Iran's uranium enrichment facilities in Natanz and Arak increased U.S. concerns. Presidents Bush and Obama then began to toughen pressures on Iran to stop enriching its nuclear facilities. Bush addressed Iran as an "Axis of Evil" and the IAEA, with strong support from the U.S., referred Iran to the UNSC. From 2006 to 2011, seven UN resolutions were passed by the UNSC against Iran's nuclear project and Obama adopted the same hostile policies as Bush, including sanctions, UNSC resolutions and economic pressures to prevent Iran from developing its nuclear program.

In the light of the above, the analysis has shown that U.S. national interests in the Middle East are the main reasons why the U.S. has been hostile to Iran's nuclear weapons program. This interpretation confirms with the realist perspective which interprets state actions in terms of their national interests. While the U.S. has a variety of interests in the Middle East, the main three, oil, Israel and U.S. security interests in the Middle East have been analysed in this study. Also, following thesis has argued that the importance of realism to foreign policy and that material interest are still important. In this case, oil, Israel, and security have been important long term goals for the U.S., and it has been shown that when the U.S. Cooperate with Iran, it is for defence of these, and when it is hostile to Iran, it is also for defence of these interests.

It was found that the Middle East, and specifically the Persian Gulf oil reserves, plays an important role in the U.S. economy. The free flow of oil through the Persian Gulf and the Straits of Hormuz, the most strategically significant transit chokepoint in the world, comprise the most important U.S. national interests in the Middle East. This means the U.S will do anything to avert any political unrest and crisis in that region; as such crises could generate a huge oil price hike and subsequent economic problems in countries like the U.S. It is also a concern of the U.S. that nuclear Iran would use the leverage of nuclear capability to disrupt the flow of oil through the Straits of Hormuz in order to achieve Iran's political and economic interests. For instance, it would be possible for Iran to threaten to use its nuclear weapon to close the Straits.

Furthermore, the security of Israel is also of interest to the U.S. The U.S.–Israel relationship, which began with the creation of the State of Israel, have been based on a number of factors, including U.S. foreign assistance in the form of financial, military and diplomatic support to Israel via international communities and organizations, as well as the strong and active

Israeli communities and lobbies in the U.S. Since Iran's nuclear program is an immediate threat to Israel, the U.S. would like to prevent Iran from developing its nuclear activities.

Finally, as the U.S. considers Iran as a state which sponsors terrorism, the fear of the transfer of nuclear weapons from Iran to terrorist groups represents grounds for concern. In addition, this analysis shows that nuclear Iran would change the balance of power in the Middle East, impose threats on Iran's neighbours and encourage an arms race between countries in the Middle East. This would result in instability and insecurity in the region. In fact, it could ultimately be stated that any power change and instability in the Middle East would be a threat to the U.S. and have an influence on U.S national interests there.

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